

Harbor Closures Extend to French Ports in Corsica

LE HAVRE, France, Aug. 18 — The French fishermen's blockade of northern ports, which has already stranded thousands of cross-Channel ferry passengers, spread today to the Mediterranean and was beginning to hit hard at France's international trade.

With flotillas of fishing boats strung across French harbor entrances from Dunkirk to Cherbourg, cross-Channel shipping was severely reduced.

Kenneth James, charge d'affaires at the British Embassy in Paris, called on French Transport Minister Joel Le Theule to express deep concern over the stranding of thousands of homeward-bound British tourists in Channel ports. Mr. Le Theule said the French government would do all it could to alleviate the situation, a British spokesman reported.

The fishermen, who are protesting layoffs caused by rising fuel costs as well as falling prices for their fish, closed the Corsican ports of Bastia, Ajaccio and Calvi in solidarity with other fishermen blocking ports from Cherbourg to Dunkirk on the northern French coast.

Car Ferries

Coming at the height of the holiday season, the action by the Corsican fishermen inconvenienced thousands of travelers aboard car ferries and for mainland ports such as Ajaccio and Calvi in solidarity with other fishermen blocking ports from Cherbourg to Dunkirk on the northern French coast.

Two separate disputes have brought France's northern ports to this state of paralysis.

The trouble began last week in Boulogne where crews of commercial fishing boats blocked the port to protest against their employers' plans to reduce manning levels.

They were quickly joined by thousands of small fishermen who say they are being driven out of business by the soaring cost of diesel oil.

Libya Said to Struggle With Unrest

ARIS, Aug. 18 (UPI) — Libya's move to attend a Moscow conference in Morocco led to reports that Col. Muammar Qadhafi is plying with agents unrest, including a military by Libyan troops near Egyptian frontier early this month in which several hundred persons were killed.

Libya promptly denied that a rebellion had occurred or that the government had declared a state of emergency in Tobruk, the scene of reported unrest.

Col. Qadhafi, increasingly at odds with Egypt's President Anwar Sadat because of Libya's role in the fighting Arab side of the Camp David peace agreement with Israel, has asserted extensive new fortifications along the Egyptian frontier in recent months. Egypt, which attacked Libyan bases in that area in 1977, maintains a state of military alert along the border.

In describing the alleged troop buildup, Arab diplomatic reports in Casablanca, Morocco, where an Islamic Committee on Palestine was meeting without Libya, said that loyal Libyan troops brought the revolt under control with the help of East German advisers. Libya has an estimated 30 East German and Soviet advisers to help with security and with assimilation of Libya's arsenal of Soviet-made military hardware.

Tobruk Unrest

Western sources in Tripoli, the Libyan capital, were quoted by agencies as saying that unrest among military personnel broke out in Tobruk two weeks ago but appeared to be under control. That life in Tripoli seemed normal.

Col. Qadhafi, who put Libya's oil wealth behind the cal and terrorist causes, has used growing resentment in Libya against the country's small middle class to obtain a new source of power for the government.

After public threats by Col. Qadhafi this summer, gunmen assassinated a number of Libyans in Europe who had refused to return home.

In the light of Col. Qadhafi's increasingly violent criticism of Mr. Sadat, there has been persistent speculation of possible Egyptian engagement of Libyan opposition forces.



Poles at gates of Lenin Shipyard in Gdansk reached for leaflets thrown by striker Sunday.

Iraq Expels Syrian Diplomats After Finding Arms in Embassy

BAGHDAD, Aug. 18 (Reuters) — Iraq has ordered all Syrian diplomats to leave the country within 48 hours, the Iraqi news agency INA said today. The action followed the discovery of explosives and weapons in the Syrian Embassy in Baghdad.

INA quoted a Foreign Ministry spokesman as saying Iraqi security men entered the embassy in the presence of Syrian Charge d'Affaires Mohammed Mowaleed Jumeid and found a stockpile of handguns and high explosives.

The Baghdad and Damascus governments are bitterly opposed because each maintains it is the genuine leader of the Arab Socialist movement. The two countries are ruled by rival factions of the Ba'ath Party.

Sadat, Rejecting U.S. Plea, Renews Call for a Summit

CAIRO, Aug. 18 — President Anwar Sadat today rejected a U.S. call for an early resumption of the suspended peace talks with Israel and stuck to his demand for a three-way summit meeting after the U.S. presidential election in November.

But a high Israeli official in Tel Aviv indicated that Prime Minister Menachem Begin's position is that Mr. Sadat cannot unilaterally call for a summit meeting without Israel's prior consent or agreement with President Carter. The official also said that, if Mr. Carter decided on a meeting in September or October, neither Mr. Begin nor Mr. Sadat would reject the call.

Israeli press reports, meanwhile, said that Mr. Begin, in a reply to Mr. Sadat's summit call, will insist that Egypt immediately resume the negotiations on Palestinian autonomy. Egypt broke off the talks Aug. 2 in protest against Israel's formal annexation of Arab East Jerusalem.

Mr. Sadat first proposed the summit meeting in a letter to Mr. Begin Friday. In the letter, he blamed Israel for the failure of the 15-month-old talks to achieve significant progress toward establishing a self-governing authority in the Occupied West Bank and the Gaza Strip.

And while Mr. Begin will maintain that Mr. Sadat cannot unilaterally call for a summit meeting without Israel's prior consent or Mr. Carter's agreement, the official said.

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Gierek Bars Political Shift

Polish Baltic Strike Spreads to Factories

GDANSK, Poland, Aug. 18 — Strikers in a three-city industrial area on Poland's Baltic coast blocked shipping in the nation's largest seaports today as scores of factories joined the Gdansk region general strike. Workers in several other cities also walked out.

Communist Party leader Edward Gierek canceled a visit to West Germany, which was to have begun tomorrow, acknowledging that Poland's industrial turmoil prevented him from leaving. Mr. Gierek tonight said that there would be no basic changes in the country's political system. Addressing the nation in a special broadcast, he said that the government would not tolerate any challenge to the basis of the Socialist state.

Although he promised strikers that the government was ready for compromise, he made it clear that many of the demands by strike leaders were totally unacceptable. "Strikes will not change things. They only multiply difficulties," Mr. Gierek said in the 25-minute address.

"Poland can only be an independent state under Socialism. There are certain limits beyond which we cannot go," Mr. Gierek said. Then, raising his voice as if in a fighting mood, he added: "We cannot tolerate demands against the basis of the Socialist state. Only people of ill will fail to see this."

Mr. Gierek referred to such people as irresponsible, anarchic and anti-Socialist groups.

On the positive side, however, Mr. Gierek offered further decentralization, more worker self-government, less bureaucracy and greater mass imports. He said the government would analyze the current economic situation together with trade unions and other institutions.

Mr. Gierek's speech followed a meeting of the Communist Party Politburo in Warsaw.

In Gdansk, a special government commission headed by Deputy Premier Tadeusz Pyka arrived to begin negotiations with a 13-member negotiating committee representing all the strikers in Gdansk, Gdynia and Sopot.

Szczecin Strikes

New shipyard strikes were reported at several locations around Szczecin, a Baltic Coast city near the East German border. The dissident Committee for Social Self-Defense said workers there declared a full strike today and adopted the same list of political and economic demands published by the Gdansk strikers.

More threatening for the government was an unconfirmed report from a second dissident organization, the Movement for Defense of Peoples and Citizens Rights, that coal miners in Silesia in southern Poland have formed strike committees.

The Silesian miners have not gone on strike, but any interruption in their work would quickly cripple Poland's entire industrial network.

Some sources in Warsaw suggested that worries about the Silesian mine situation were the decisive factor that persuaded Mr. Gierek to cancel his West German trip, scheduled for Tuesday and Wednesday in

and his wife, who ran a medical clinic in Yazd, and Times of London correspondent Tony Allaway, detained in Tehran Thursday for questioning about alleged espionage.

In reply, the news agency said, Mr. Rafsanjani criticized the members of the Common Market and Japan for supporting the United States in the "conflict with America."

In other developments:

• Tehran Radio reported today that the Iranian Foreign Ministry announced that Iran had broken off diplomatic relations with Chile. Chile was ordered to recall its staff and close its embassy within 15 days. The broadcast said the decision Saturday was made because the Chilean government had pursued a policy of suppression and repression toward the Chilean people for many years, which is contrary to the principles of the Iranian government.

• The Majlis voted to reject the credentials of a Jewish member, Eshag Farahmandpur, who was accused of having connections with the late Shah, Mohammed Reza Pahlavi, cooperating with an international Jewish organization and opposing the execution earlier this year of Albert Danieli, a prominent Iranian Jew, Tehran Radio reported.

Iran Demands U.K. Action on Prisoners

TEHRAN, Aug. 18 — Iranian Foreign Minister Sadegh Ghotbzadeh called in the top British diplomat in Tehran today and demanded an immediate solution to the problem of Iranian demonstrators imprisoned in London, saying that the issue would affect relations between the two countries, the Iranian Foreign Ministry said.

The ministry disclosed no details of the meeting, which took place one day after Britain announced the temporary closure of its embassy in Tehran. Britain apparently was fearful of a takeover — like the seizure of the U.S. Embassy — following large demonstrations protesting the arrest of the Iranians in London.

The British Foreign Office said eight of its diplomats were being recalled, but a senior diplomat, Charge d'Affaires Arthur Wyatt, and three others would remain in Tehran to provide consular protection for the estimated 250 Britons still living in Iran. A spokesman said that no more visas are being issued for Iranians to travel to Britain.

In addition, four British citizens are believed under arrest in Iran: Anglican missionary Jean Waddell, accused of spying, an ordained Anglican priest, Dr. John Coleman,

Ghotbzadeh Summons Senior Envoy

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Egypt-Israeli Relations Mired in Mistrust

By Christopher S. Wren

CAIRO, Aug. 18 (NYT) — In Egypt, cartoons in the pro-government press have portrayed Israel's Prime Minister Menachem Begin as a fanged viper preparing to swallow a holy mosque labeled "Jerusalem" and as a petty fascist being awarded a swastika medal from Hitler.

In Israel, some politicians are grumbling about refusing to give back the remaining third of the Sinai Peninsula unless Egypt cooperates more to promote commerce and tourism.

Less than a year and a half after the two former enemies signed a celebrated peace treaty, their new relationship has mired down in mistrust and recrimination, the negotiations on Palestinian autonomy are suspended indefinitely, with each side accusing the other of bad faith.

The blunt exchange of letters between Mr. Begin and Egypt's President Anwar Sadat this month revealed how thoroughly they disagreed on the most basic issues. Mr. Sadat, contending that the peace negotiations were degenerating into a meaningless exercise, looked last week for U.S. intervention by proposing another tripartite summit meeting after the U.S. presidential elections.

Public Mood

The malaise permeates the public mood in Egypt and Israel, judging by conversations in Cairo, Tel Aviv and Jerusalem during the last month and a perusal of press commentary in both countries.

"There has never been a dialogue. There was a match in which each side thought he was outwitting the other," explained



A cartoon in the Egyptian newspaper Al Ghouhouriya shows Begin holding a swastika-shaped umbrella under a blazing sun labeled "world anger." The caption says, "A Nazi decision," in referring to the Israeli decision on Jerusalem.

Moshe Sharon, a former adviser to Mr. Begin who quit partly because he felt the autonomy talks would never work.

"Instead of tackling crucial questions, each side preferred to put them aside and cover them with some hardly intelligible phrases," Mr. Sharon said.

The U.S. encouraged such obtuseness in hopes that Egypt and Israel would establish a rapport that would make it easier to solve their differences later. As a result, the Egyptians did not take Mr. Begin seriously when he refused to yield on the status of Jerusalem and the Jewish settlements in the West Bank and Gaza. The Israelis did not believe that Mr. Sadat was sincere about his commitment to work out home rule for the 1.2 million

Palestinian inhabitants in the West Bank and Gaza.

In Egypt's view, the Begin government deliberately provoked it at a fragile stage of the autonomy talks by pressing ahead with Jewish settlements and by letting the Knesset (parliament) enact a basic law formalizing Israel's annexation of East Jerusalem from Jordan in the 1967 war.

Referring to the Jerusalem vote, a senior Egyptian foreign policy strategist, Osama El Baz, said, "We find it difficult, almost impossible to proceed with the negotiations as long as Israel is insisting adamantly on taking these unilateral actions."

For their part, Israelis think that Egypt is foot-dragging on its commitment to develop normal relations, by tacitly linking

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CHANNEL WALKOUT — A striking fisherman sprayed water on protesting British tourists in Cherbourg yesterday after tourists threw stones at boats blocking the harbor.

Polish Baltic Strike Spreads to Factories

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The peaceful occupation of the Lenin Shipyards and a number of other industrial sites. One group of workers at the Paris Commune Shipyard, another large facility, briefly detained their plant director in his office, but he was later released.

"Many enterprises in the tri-city are on strike, including the ports of Gdansk and Gdynia," the official Gdansk Radio said. "There is, therefore, no movement of ships. There will be no arrivals or departures of ships with the white and red [Polish] flag."

Ferry Sails

Nevertheless, a Polish ferry sailed as usual from Karlskrona, Sweden, to Gdynia, with no plans of limiting service, a company spokesman said.

The strike committee in the huge Lenin yard said that 149 enterprises in the area were affected by the strike as of tonight. This would put the total number of strikers in the area at well over 100,000, by unofficial estimates. The numbers could not be confirmed.

The strike-bound region 200 miles north of Warsaw has a population of 700,000, including some 200,000 workers.

The 16 demands listed by strikers included an increase in average monthly wage from the current \$170 to \$236 to compensate for meat price hikes, meat rationing to stabilize the market, liquidation of special shops for the police and Communist Party officials, guarantees of the right to strike and to establish free trade unions, freedom of expression, abolition of censorship, and the release of all political prisoners.

In addition to shutting down the ports and the Lenin yard, Poland's biggest, where workers average \$267 a month in wages, the walkouts idled most refinery operations and transportation in Gdansk, a factory in Gdynia that manufactures electronic equipment for ships and other plants in the area.

Gdansk Radio said that the provincial government banned the sale of fuel for private vehicles because of stoppages at the Gdansk refinery, and that fuel would be available only for government vehicles.

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taxi, cars registered elsewhere in Poland and foreign tourists.

The unrest was triggered by rising meat prices and chronic food shortages in a nation that exports 100,000 tons of ham and other meat delicacies yearly to obtain hard currency. The strikes followed a July 1 move by regime to abandon meat price subsidies, the third time in a decade that the government encountered resistance to its attempts to halt meat subsidies.

The Vatican made its first, albeit cautious, reference to the Polish strikes today, publishing a story in the official Vatican newspaper which listed some of the worker's demands and described the situation in Poland as tense. Pope John Paul II, a native of Poland, has refrained from public comment so far.

Vatican Radio, which has a huge audience in Poland, has also withheld comment.

Strikes in Romania

VIENNA, Aug. 18 (Reuters) — Brief strikes occurred recently in some Romanian towns in protest of a chronic meat shortage, according to unconfirmed reports in Bucharest, diplomatic sources said today.

The stoppages were said to have occurred in Tirgoviste, about 80 kilometers (50 miles) northwest of Bucharest, the eastern industrial city of Galati, and in the Jiu valley in the west.

East German Coverage

BERLIN, Aug. 18 (Reuters) — The East German Communist Party newspaper Neues Deutschland today gave unusually lengthy coverage to events in Poland, including a 200-line report on Polish Premier Edward Babinski's Friday night television speech.

The report, from the East German news agency's Warsaw correspondent, blamed economic difficulties for the strikes for the first time.

Mr. Babinski's speech, in which he appealed for calm in the face of mounting labor unrest, was supplemented by two short items from the Polish news agency PAP.

Before her appearance in Parliament, Mrs. Gandhi met at her home with a group of newspaper editors who were holding a convention in the capital. In her informal talks with the editors, Mrs. Gandhi, who during her last term in office imposed stringent press censorship, called on the press to show restraint and asked, "Is the freedom of the press greater than the interests of the country?"

Mrs. Gandhi, who had made no previous statements during the rioting that began Thursday with an outbreak at Moradabad, said that Western standards of journalism, emphasizing "who is quarreling with whom," were not necessarily the best for developing nations.

Mrs. Gandhi's remarks came within the context of a widening political debate in which her divided critics charge her government with a failure of administration and her defenders allege that subversive or foreign elements are undermining national unity.

In recent months, as separatist and even secessionist sentiments have surfaced in the Northeast, the workings of a "foreign hand" have been cited by the government, with the alien powers variously identified as the United States, China and even Bangladesh.

Now the presumptions of guilt broadcast by some of Mrs. Gandhi's supporters are centering again on the United States, Pakistan and some of the Arab states that have been sending funds to Moslem organizations in India, mostly for the maintenance of mosques.

U.S. Jet Crashes; 2 Dead

CAIRO, Aug. 18 (AP) — Two U.S. crewmen were killed Saturday when their Air Force F-4 Phantom jet crashed in the desert southwest of Cairo while they were taking part in maneuvers with Egyptian pilots, a U.S. Embassy spokesman said.

Moderate Majority

Libya, one of the founders of the committee, boycotted the entire meeting without explanation. The remaining moderate majority rejected demands by Syria and Mr. Arafat for tougher measures against Israel and its supporters.

In Kuwait, the United Arab Emirates called for a holy war to liberate Jerusalem from Israel even if the United States backs the Jewish side, echoing the call made by Saudi Arabia's Crown Prince Fahd last week.

"Nothing but war, if Moslems are men enough to stand up to their enemies and fight," President Sheikh Zayed bin Sultan al Nahyan said in an interview published in the newspaper Al Watan.

The fanfare with which the government-controlled media reported the raid indicated that President Hafez al-Assad's Ba'ath Party regime considered it a major victory in its drive to crush the Brotherhood. The movement has been blamed for bombings and political assassinations that claimed the lives of more than 150 Assad supporters.

On July 8, Mr. Assad declared an amnesty for members of the underground group. He said they would be spared the death penalty if they surrendered. The government says that 600 members have turned themselves in. The amnesty is set to expire on Aug. 28.

Nuclear Plant Tower Is Blown Up in Spain

TARRAGONA, Spain, Aug. 18 (AP) — An electrical tower intended for use by a nuclear power plant was blown up yesterday, the civil governor's office said today.

The 35-meter (130-foot) tower was about 50 kilometers (30 miles) from this eastern Spanish city and near Asco, where the plant is being built. Neighbors have organized several marches against the plant's construction.

When you foot the bill for a phone call home, you want the price to be as low as possible, right? Then follow these money-saving tips. If you're calling from a hotel that has teleplan—a low-cost way to call home—you can be sure that telephone surcharges are reasonable. In other hotels, dial a short call from your room and have the folks at home call you back. There's no 3-minute minimum calling charge in most countries, and the surcharge on short calls is low. Also, you pay for the call-back with dollars later on your own home phone bill. Many countries accept telephone company credit card and collect calls. And where they do, the hotel surcharges on such calls are usually low. You pay no surcharge at all on calls made at the post office or other telephone centers. Now, make that call. Then with the money you saved, treat your feet to another museum.

Bell System

North Reported Under Control but Tense

Gandhi Defends Police Role in Rioting

By Michael T. Kaufman

NEW DELHI, Aug. 18 (NYT) — As curfews continued in areas of India where rioting has taken place, Prime Minister Indira Gandhi defended the role of police and security forces today and called upon the country's press to discipline itself in the reporting of communal tensions and conflicts.

In the city of Moradabad, police and paramilitary units were under orders to shoot to kill any disorderly persons on the streets in violation of curfew. In the city and in other areas of conflict in the north central state of Uttar Pradesh, the situation was described by a police official as under control but tense.

Meanwhile, Mrs. Gandhi made her first public comments on the wave of disorders as her defenders and her opponents traded charges and recriminations. During debate in Parliament, Mrs. Gandhi intervened at one point to defend police against allegations that they had precipitated violence through over-reaction and precipitous firings.

Mrs. Gandhi admonished the critics to avoid sweeping indictments, saying that, if the police and security forces came to believe they were not trusted, they would become demoralized. "We must be very careful apportioning blame of this nature," she said.

Stories Resented

Police morale has been a problem for some time, with officers and men openly resentful of a recent series of news stories that alleged that police in rural areas were guilty of raping poor and low-caste women. Other articles have focused on alleged police corruption in many cities.

It may have been because of this demoralization that army units were called in quickly to maintain order in many of the turbulent areas. Traditionally, the army has resisted being used for civilian police duties, and for this reason India has several mobile paramilitary units.

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Mrs. Gandhi's remarks came within the context of a widening political debate in which her divided critics charge her government with a failure of administration and her defenders allege that subversive or foreign elements are undermining national unity.

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Now the presumptions of guilt broadcast by some of Mrs. Gandhi's supporters are centering again on the United States, Pakistan and some of the Arab states that have been sending funds to Moslem organizations in India, mostly for the maintenance of mosques.

Syrians Report Killing Leader Of Brotherhood

DAMASCUS, Aug. 18 (AP) — The military chief of the outlawed Moslem Brotherhood, an Islamic fundamentalist sect at war with the government, was killed in a clash Saturday with Syrian forces, the government announced yesterday.

A statement said Hisham Jumbar and four of his aides were killed when government forces raided their hideout in a suburb of Hama, 75 miles north of Damascus. He was the top planner and superintendent of the Brotherhood's military operations, the statement said, adding that huge amounts of arms, ammunition and explosives were seized at his refuge.

The fanfare with which the government-controlled media reported the raid indicated that President Hafez al-Assad's Ba'ath Party regime considered it a major victory in its drive to crush the Brotherhood. The movement has been blamed for bombings and political assassinations that claimed the lives of more than 150 Assad supporters.

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Egypt-Israeli Relations Permeated With Mistrust

(Continued from Page 1)

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The Israelis have expressed outrage over the heavy-handed political cartoons. Mr. Sadat has responded disingenuously that he has no say over what appears in Egypt's press.

The climate has become more contentious because each side is convinced that it made real sacrifices that have gone unrecompensed. Mr. Sadat believes that he took a personal and political risk by making peace overtures to Israel against the wishes of the other Arabs, who have reacted by trying to isolate Egypt.

Israeli officials say that, by returning the Sinai, they have given up their only significant domestic source of oil as well as a strategic buffer against a replay of the 1973 war.

Little Appreciation

Each side has blamed the other for making an issue out of Jerusalem when it should have been left until the end of the autonomy talks. But there seems little appreciation of the respective political pressures on Mr. Begin and Mr. Sadat.

The Egyptians do not entirely understand that when Goula Cohen, an ultranationalist opposed to the Israeli-Egyptian peace treaty, introduced her Jerusalem bill in the Knesset, Mr. Begin, with his shaky ruling coalition, did not want to appear soft on a subject that has become virtually sacred for most Israelis.

Dutch Say Coup In Surinam Was Pro-Western

THE HAGUE, Aug. 18 (UPI) — The military takeover in Surinam last week primarily was designed to eliminate a pro-Cuban element from the government, the Dutch news agency ANP said today.

An ANP correspondent, who crossed into Surinam from French Guyana during the weekend, said that the new president, Henk Chin A Sen, carried out a pro-Western coup when he deposed President Johan Ferrier. But, ANP said, Mr. Ferrier was not himself part of the pro-Cuban faction.

There were reports in Surinam recently of a power struggle between the former president, who wanted more power for the legislature, and Mr. Chin A Sen, who backed the National Military Council. The main purge is reported to have come in the ranks of the council, which was formed after the Feb. 25 coup that deposed former Prime Minister Henk Arron.

Three leaders of that coup, who all were founding members of the National Military Council, have been imprisoned at the Memre-Boeke military barracks, according to reports reaching the Netherlands from the former colony.

Bush in Tokyo On Asian Tour

TOKYO, Aug. 18 (UPI) — U.S. Republican vice presidential candidate George Bush arrived in Tokyo today on the first leg of a nine-day tour of Japan and China.

During his two-day stay in Japan, Mr. Bush is scheduled to meet with Premier Zenko Suzuki, Foreign Minister Masayoshi Ito, International Trade and Industry Minister Rokusuke Tanaka, former Prime Minister Takeo Fukuda and Nobusuke Kishi, and business leaders.

Mr. Bush has said the trip concerns worldwide security and trade, but he is expected to discuss Ronald Reagan's China policy. In his send-off for Mr. Bush, Mr. Reagan reiterated his call for the re-establishment of official relations with the government on Taiwan. Mr. Reagan said he wanted to maintain normal ties with Peking and that the overture to Taiwan would not mean the closing of the U.S. Embassy in China.

The Ilyushin-62 airliner was apparently on its way from Moscow to Hanoi, via Khabarovsk, when it entered Japanese airspace southwest of Tokyo, defense officials said.

Several hours after the incident, the agency announced that Japanese fighters responding to such alerts will be armed with air-to-air missiles. The two F-4 and four F-104 fighters that scrambled today were armed with 20mm guns.

In her Parliament appearances, Mrs. Gandhi chided those who had criticized some presumably Arab countries by name.

"Money does come from abroad for educational institutions like the Indo-Arab Institute in Moradabad," she said, "but it would not be right to confuse it with the present incident. Such insinuations would create misunderstanding with other countries and affect international relations."

Schools and colleges in Kashmir were closed today and police reinforcements supplemented already large patrols in volatile neighborhoods of Srinagar. One of the men injured in yesterday's shootings died, raising the death toll to five during two days of violence. The city was reported to be quiet.

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Bush in Tokyo On Asian Tour

TOKYO, Aug. 18 (UPI) — U.S. Republican vice presidential candidate George Bush arrived in Tokyo today on the first leg of a nine-day tour of Japan and China.

During his two-day stay in Japan, Mr. Bush is scheduled to meet with Premier Zenko Suzuki, Foreign Minister Masayoshi Ito, International Trade and Industry Minister Rokusuke Tanaka, former Prime Minister Takeo Fukuda and Nobusuke Kishi, and business leaders.

Mr. Bush has said the trip concerns worldwide security and trade, but he is expected to discuss Ronald Reagan's China policy. In his send-off for Mr. Bush, Mr. Reagan reiterated his call for the re-establishment of official relations with the government on Taiwan. Mr. Reagan said he wanted to maintain normal ties with Peking and that the overture to Taiwan would not mean the closing of the U.S. Embassy in China.

The Ilyushin-62 airliner was apparently on its way from Moscow to Hanoi, via Khabarovsk, when it entered Japanese airspace southwest of Tokyo, defense officials said.

Several hours after the incident, the agency announced that Japanese fighters responding to such alerts will be armed with air-to-air missiles. The two F-4 and four F-104 fighters that scrambled today were armed with 20mm guns.

WORLD NEWS BRIEFS

Papua New Guinea Force on Vanuatu Island

LUGANVILLE, Vanuatu, Aug. 18 (Reuters) — Infantrymen from Papua New Guinea guarded strategic installations on the South Pacific island of Espiritim Santo today after meeting no opposition from rebels who carried on a secessionist revolt for 12 weeks.

As about 150 troops in full combat gear fanned out through the tiny, one-street town of Luganville, the 200-man Anglo-French force they replaced pulled out by plane and boat. It finally ended French and British involvement in Vanuatu, formerly the New Hebrides, which they ruled jointly for 74 years.

The headquarters of Vemana, the rebels' political movement, was deserted and the party flag taken down. But the commander of the Papua New Guinea force said he thought there were still rebels in the town.

Troops Said to Fire at Uganda Relief Convoy

KAMPALA, Uganda, Aug. 18 (Reuters) — Ugandan soldiers who said they were starving opened fire on United Nations Children's Fund relief vehicles, a British aid logistics expert said today.

The expert, Neville Lawson, said aid representatives had stopped in a village to tell the army commander that some of his men had tried to steal food from United Nations convoys earlier. About 30 soldiers approached the United truck and car, saying they were starving and asked for a ride to the army barracks at Moroto in the east of the Karamoja region.

Mr. Lawson said the aid representatives agreed to give the platoon commander a ride, but as they were driving off, soldiers fired several shots. No one was injured. The United Nations temporarily suspended its famine relief work in the region after armed bandits attacked a convoy, but this was the first report of an attack by soldiers.

Afghan Exiles Question Envoy's Assignment

NEW DELHI, Aug. 18 (UPI) — Afghan exiles say they think that, although Afghanistan's Deputy Premier Asfandil Sarwari has been sent to Mongolia to serve as its country's ambassador, the shift may be preparation for his eventual takeover of the Afghan government.

A former Afghan official speculated that Mr. Sarwari may have been sent to Mongolia to learn how to run a Soviet satellite country and later to be installed as president of Afghanistan.

If the ambassadorial appointment of Mr. Sarwari, who heads the Khalq faction which has been at odds with Afghan President Babrak Karmal, is part of a plot to eventually stage a coup and name him the next president, it would follow the pattern set by his predecessor. Mr. Karmal went to Czechoslovakia as ambassador before the Russians brought him to power last December.

EEC Entry Changes Outlook

ATHENS, Aug. 18 (NYT) — Greece's relations with Eastern Europe are cooling after a warmer period that partly reflected the anti-Western sentiment prevailing here in the last few years.

Although government leaders say that ties with Communist neighbors are better than ever, they concede that Greece's entry into the European Economic Community and the apparent settlement of differences with NATO have put a damper on the Greek brand of "Ostpolitik."

Failures in economic cooperation with the Eastern bloc have also affected relations, as has the apparent collapse of Greek efforts to promote cooperation among the Balkan countries.

"Greece's relations with its Communist Eastern European neighbors are excellent in general," Foreign Minister Constantine Mitsotakis said. "But to have some minor problems, and to give priority to our Western relations, is only natural."

He explained that Greece's entry into the Common Market, effective on Jan. 1, will force a change in economic relations with nonmember countries. Instead of special trade arrangements with Eastern Europe, general cooperation agreements are being signed and specific projects are being negotiated bilaterally.

Israel Imprisons 2 for Planning Attack on Arabs

TEL AVIV, Aug. 18 (AP) — An Israeli military court sentenced two soldiers to prison yesterday for planning a terrorist attack on Arab mosques and buildings in Jerusalem.

Moshe Ben-Arye, who held the temporary rank of acting officer, was sentenced to 19 months and Pvt. Moshe Leibovitch to 13 months. They were convicted last month.

The two soldiers were arrested after police found arms cache containing 264 pounds of explosives and 30 hand grenades on the roof of a religious seminary in Jerusalem. The discovery followed the slaying of six Israeli settlers in an ambush in Hebron on May 2, and authorities feared that the grenades and explosives were destined for Jewish terrorists in the West Bank.

Press reports said the soldiers' lawyer told the court the two men committed an "act of foolishness" out of frustration over the Hebron attack.

Japan Intercepts Soviet Airliner

TOKYO, Aug. 18 (AP) — Six Japanese jet fighters scrambled when a Soviet commercial aircraft violated Japan's airspace over southwestern Japan today, the Defense Agency said.

The Ilyushin-62 airliner was apparently on its way from Moscow to Hanoi, via Khabarovsk, when it entered Japanese airspace southwest of Tokyo, defense officials said.

Bologna Blast Toll at 83

BOLOGNA, Italy, Aug. 18 (AP) — The death toll from the Aug. 2 Bologna train station bombing reached 83 Saturday when an Italian clothing salesman died of kidney complications from wounds received in the blast.

country that depend on the flow of a minimum volume of water set by the Bulgarians. But, making the agreement, the Greeks say, the Bulgarians have reduced, instead of increased, the flow into Greece.

Mr. Mitsotakis said that the 15-year-old controversy must be settled when President Constantine Caramanlis visits Sofia in October, "because Athens cannot wait any longer." Mr. Caramanlis will also visit Romania in September and Yugoslavia in November.

Efforts Rebuffed

More disappointing for the Greek side is the realization that its efforts to promote multilateral cooperation in the Balkans have been rebuffed.

At the initiative of Mr. Caramanlis, a conference was held in Athens in 1976 in which Greece, Turkey, Romania, Bulgaria and Yugoslavia discussed projects for economic and technical cooperation. Overcoming Bulgarian reluctance, a second conference was held in Athens last December, but it dealt only with communications.

Since then the issue has died out. Greek Foreign Ministry officials said the major reason is that the probably Moscow's unwillingness to allow any of its allies to pursue foreign initiatives beyond its own control.

The major Greek foreign policy objectives, Mr. Mitsotakis says, are still membership in the Common Market and reintegration into NATO's military wing from which Greece withdrew in 1974 in anger over the alliance's failure to prevent the Turkish invasion and occupation of northern Cyprus.

The foreign minister said that proposals are being studied for a military level to ease conflicting operational demands between Greece and Turkey within NATO. "The climate has improved sufficiently to warrant optimism for Greek re-entry to NATO perhaps as early as October," he said. That would clear the way for ratification of a suspended agreement on the operation of U.S. bases in Greece.

Suzuki Says Japan Intends To Guard Against Threats

TOKYO, Aug. 18 (UPI) — Premier Zenko Suzuki said today that Japan will never again become a great military power but will work to attain a defense capacity great enough to guard against "all forms of threat."

He added: "We have to defend the nation and its people from all forms of threats but it is important to create an international environment where Japan does not feel such threat."

Mr. Suzuki, 69, who came to power a month ago, said he would pursue the defense policies of his predecessor, Masayoshi Ohira, who died June 12. In a meeting with President Carter in Washington on May 1, Ohira pledged that Japan would "work to strengthen its defense forces."

Mr. Suzuki also pointed out that his government has decided to increase defense spending by 9.7 percent next year, while limiting budget increases for other government agencies to 7.5 percent.

On Japan's relations with the Soviet Union, which have cooled since Moscow intervened in Afghanistan, Mr. Suzuki said: "The Soviet Union is Japan's important neighbor and I hope Moscow will endeavor to improve our relations."

However, he made it clear that good relations between the two nations are dependent on the Soviet return of four disputed islands in the Kurile chain. The Soviet Union took the islands from Japanese possession at the end of World War II and has built military facilities on three of them.

"These are part of Japanese proper and friendly ties between our two nations must rest on solution of the dispute," Mr. Suzuki said.

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Bell System

Likens Them to Goldwater

Soviet Press Assails Carter and Reagan

By Dusko Doder

MOSCOW, Aug. 18 (WP) — After nearly ignoring the U.S. presidential campaign for several weeks, the Soviet press has blossomed with election reports that seem designed to avoid any hint of Moscow's preference.

Since the end of the Democratic Convention on Thursday, both President Carter and Republican candidate Ronald Reagan have been portrayed in the Soviet Union as clones of Arizona Sen. Barry Goldwater, the Republican candidate in 1964, who in Soviet eyes is the epitome of the hard-line representing the so-called military-industrial complex.

The defeat of Sen. Edward Kennedy and the failure of liberals to change the foreign policy plank in the Democratic platform apparently have disabused the Russians of any hope that the current hard line in U.S. foreign policy is likely to change in the foreseeable future. The American voters, said Moscow, will have a choice "between two Goldwaters."

U.S. Mood

But the apparently studied effort to paint the candidates as equally committed to the destruction of détente reflects Soviet consternation about what is publicly described as a growing anti-Soviet public mood in the United States.

Publicly, this is explained as an attempt by reactionary forces to give new impetus to the "myth" of a Soviet threat in order to justify increased military expenditures aimed at giving the United States strategic superiority over the Soviet Union.

Yet, privately, well-informed sources concede that Moscow was completely surprised by the depth and intensity of U.S. reaction to the Afghanistan intervention.

The Institute of United States and Canadian Studies, the Kremlin think-tank for experts on American affairs, was reported by the sources to have been severely criticized by high officials for having failed to forecast Mr. Carter's sustained opposition.

Apart from that, Moscow is having trouble assessing persons in the Reagan inner circle. In contrast to virtually all key officials in the Carter administration, with whom the institute has had long first-hand experience, most of Mr. Reagan's advisers are unknown to the Russians.

This may explain the rather gingerly treatment given to the Republican Convention last month, as well as the absence of any hints in the controlled Soviet media as to which candidate would be regarded as more acceptable.

Perhaps the most disturbing recent development from Moscow's standpoint was the press leak of Mr. Carter's new nuclear strategy, which suggested that the United States was shifting its aim from military parity to superiority.

An outpouring of vitriolic public attacks, the "most severe" in some time, indicated the extent of Soviet concern.

Now Mr. Reagan has become the

subject of similar attacks. Ivestia described him yesterday as "an aggressive and ignorant Californian who does not remember the name of the president of France, who mixes up North Vietnam and North Korea and who repeatedly refers to Indonesia as Indochina."

Nonetheless, the Russians are believed to be carefully studying the U.S. political scene. Soviet commentators and officials point out that the Republicans oppose the U.S. grain boycott ordered by Mr. Carter after the Soviet intervention in Afghanistan, and say that the Republican position on the status of Taiwan must be carefully studied.

And while they attack the Democrats, the commentators also stress that the Democrats remain committed to ratification of the strategic arms treaty known as SALT-2.

Although the Soviet press does not endorse candidates in U.S. presidential elections, its coverage of the 1972 campaign had a definite tilt toward Richard Nixon. In 1976, the Russians initially favored Gerald Ford's re-election, but once they decided that Mr. Carter would win, they adopted an even-handed press treatment.

The current press tone, however, appears to suggest that Mr. Carter and Mr. Reagan are equally unpalatable to the Kremlin. Both are identified as enemies of détente, and the press makes no suggestion of any signs of what the Russians call a realistic approach to international problems.

Americans Abroad Gain Support for Tax Relief

By Robert Siner

WASHINGTON, Aug. 18 (IFT) — The drive to ease the tax burden of Americans abroad continues to gain strength, but with Congress planning to quit for the election campaign in only six weeks, lack of time may become a major obstacle to any final action.

While almost one-third of the senators and 45 members of the House have sponsored various pieces of legislation that would either eliminate or greatly reduce U.S. taxation of the earned income of Americans abroad, no bill is likely to reach the floor of either house before mid-September.

The chairman of the Senate Finance Committee, Russell Long, D-La., who has strongly supported reducing the tax burden of Americans abroad as part of an overall tax cut bill, has said it is unlikely that his panel will report out any legislation before Sept. 10.

On the House side, the Ways and Means Committee has not yet held hearings on overseas taxation — although a session is planned for Wednesday — and its tax cut bill is unlikely to be ready before mid-September.

Post-Election Session

However, even if Congress recesses by the second week of October as it now plans, House and Senate leaders say that there is a strong probability that members will have to return after the elections to take care of unfinished business.

A "lame duck" session will probably provide the time needed for the House and Senate to complete action on an overseas tax cut bill.

And, as Sen. Long has pointed out, the Carter administration, which strongly opposes any tax cut legislation before the November balloting, has not been averse to such legislation after the election.

There are 11 separate bills before Congress that deal with the taxation of Americans abroad. Three of them — introduced by Rep. Bill Frenzel, R-Minn.; Rep. Bill Alexander, D-Ark.; and Sen. Roger Jepsen, R-Iowa — would exempt from U.S. taxation all foreign-source earned income of those Americans who are bona fide residents of a foreign country or who reside abroad 17 out of 18 months.

Income Exclusions

The other measures would replace the current Section 911 income exclusion for those in camps and Section 913 special deductions with income exclusions ranging from \$20,000 to \$75,000, and, in most cases, a deduction for excess housing costs.

These include bills introduced by:

• Sen. John Chafee, R-R.I., which would grant a \$50,000 income exclusion rising to \$65,000 for those abroad three years or more and a deduction for housing costs above 20 percent of gross income.

• Sen. Lloyd Benken, D-Texas, who proposed a \$60,000 exclusion, a housing deduction for costs above 16 percent of the base salary paid an employee at Grade 14, step one of the federal pay scale (now about \$34,000), and a reduction in the residency requirement to 11 of 12 months abroad.

• Sen. William Roth, R-Del. and Rep. Les AuCoin, D-Ore., which combine the income exclusion of the Chafee bill with the other provisions of the Benken measure.

• Sen. Charles Mathias, R-Md., involving a \$50,000 income exclusion, the current Section 913 deductions for housing, education, home leave and cost-of-living, and a reduction in the residency requirement to 11 out of 12 months.

• Rep. Bill Archer, R-Texas, and Rep. J.J. Pickle, D-Texas, who proposed a \$75,000 exclusion, indexed



Huda Kreiner, left, was welcomed by a family friend when she and her husband, Tim, arrived in Texas after fleeing Spain.

Saudi Bride Flees Spain After Threats by Embassy

GRAPEVINE, Texas, Aug. 18 (AP) — After four days of hiding in Spain, a young Saudi Arabian woman and her U.S. husband fled to his home in Texas yesterday.

"Thank God we made it," said Huda Kreiner, 21, when she and husband, Tim, arrived at the Dal-

las-Fort Worth Airport. Mrs. Kreiner said she had gone into seclusion Wednesday near Barcelona after Saudi Arabian officials had made her fearful for her life because of her unapproved marriage to a foreigner.

She and Mr. Kreiner met in Texas and were married on June 29 in both a civil and a Moslem religious ceremony. They left soon afterward for Mr. Kreiner's job in Spain. Asked if she had tried to secure permission from her father in Saudi Arabia for the marriage, she said, "I tried. No reply."

Last week, Mrs. Kreiner said, she went to the Saudi Arabian Embassy in Madrid to have her 90-day visa upgraded to permanent resident status. Embassy officials asked for her passport and marriage certificate, she said.

Certificate Rejected

When she produced the civil marriage certificate, she said, the Saudis rejected it and demanded the Moslem document, asking if it had been stamped by the Saudi Arabian Embassy in Washington.

"When I said no, they told me I had violated the law of the Ministry of Interior of Saudi Arabia because I married a foreigner without permission from them," Mrs. Kreiner said.

The Saudi Embassy in Washington declined to comment on the case.

Mrs. Kreiner said friends urged the couple to leave Madrid, telling them that Saudi Arabian law does not permit Saudi women to marry foreigners without government approval and, that in the eyes of the Saudi government, Mrs. Kreiner was an adulteress. The penalty for adultery in Saudi Arabia, they were told, is death.

Mrs. Kreiner's mother said that she contacted officials in Washington and related her story, but she did not know whether the U.S. government intervened in the case. Last week, U.S. officials said they were aware of the story but declined comment. The U.S. has no extradition treaty with Saudi Arabia.

Mrs. Kreiner said she expected difficulty in leaving Spain, but encouraged none. The Kreiners would not reveal their plans, except to say that they would stay with friends or family members in the Dallas area.

Thais Push for Khmer Rouge Seat at UN

By Henry Kamm

BANGKOK, Aug. 18 (NYT) — Thailand is mounting a major diplomatic offensive to persuade Western countries to maintain the official status of the deposed Cambodian government of former Premier Pol Pot, now headed by Khien Samphan, by voting to seat its delegation in the UN General Assembly next month.

Last September, the General Assembly voted 71-35 to seat the delegation of Democratic Kampuchea, the official name of Pol Pot's Khmer Rouge regime. In November, on a 91-21 vote, the assembly adopted a resolution demanding the withdrawal of all foreign troops from Cambodia — a reference to Vietnam, which ousted Pol Pot in January, 1979, and proceeded to occupy all of Cambodia.

Forces loyal to the fallen regime continue to harass Vietnamese troops and the Vietnamese-supported regime of President Heng Samrin from enclaves in Cambodia along the Thai border. They control no populated areas or people not enrolled in fighting units.

The Thai foreign minister, Siddhi Savetala, will leave a week earlier than necessary to lead his country's delegation to next month's opening of the General Assembly. He will spend that week in Western Europe, visiting Bonn, Paris, Brussels and The Hague, to present to those governments the Thai case for continued recognition of Democratic Kampuchea's seat.

Mr. Siddhi will also discuss the issue at the headquarters of the European Economic Community and will brief Thai ambassadors in Europe on it.

Decision by India

Thai diplomats assert that Bangkok is not worried about the outcome of the General Assembly vote. But India's decision last month to confer recognition on the Heng Samrin regime has caused concern that other nonaligned nations might follow suit or, at the least, change their pro-Pol Pot votes to abstentions.

Thailand, as the nation most directly affected by Vietnam's invasion and occupation of the country, that traditionally served as a buffer between Thailand and Vietnam, is taking the leadership role among the five governments of the Association of Southeast Asian Nations. Last year's anti-Vietnamese resolution was proposed by ASEAN, whose other members are Malaysia, Singapore, Indonesia and the Philippines.

Thai diplomats expressed confidence that the United States will adhere to its support of the Pol Pot seat. Last year, despite repeated condemnation of the Pol Pot regime as the worst violator of human rights, the United States cast its vote for it.

U.S. officials, from Secretary of State Edmund Muskie on down, avoid direct comments on how the United States will vote. Informed Americans suggest that, in the midst of a presidential election campaign, the White House would not publicly commit itself to backing so unpopular a group, a commitment that could lose votes for President Carter without any chance of gaining support.

But the consensus of American diplomats is that the United States, while trying to avoid any prior announcement and possible public debate, will indeed stand by its support of Pol Pot.

In Australia, which is also in a pre-election period, the issue has caused considerable debate. Australia also voted for Pol Pot last year.

In both countries, in the general diplomatic consensus in Southeast

Asia, the tendency remains to support Chinese positions in opposition to Soviet interests. This is believed to be particularly true in Indochina, where no Western country has pursued a major policy interest since the Communist victories of 1975. Peking places a high priority on punishing Vietnam for depriving it of Cambodia, China's only South-east Asian satellite.

Recent Vietnamese troop movements in western Cambodia have heightened Thailand's concern. Western diplomats with access to reliable intelligence report that

Vietnam has bolstered its forces near the Thai border by 5,000 to 10,000 combat and support troops.

The Thai press, probably influenced by a multiplicity of leaks from a government and military establishment expert, have interpreted these troop movements as a preparation for a renewed Vietnamese incursion, perhaps bigger than that of last June, in which Vietnamese troops raided three Thai villages.

Western diplomats believe that the troop movements so far are not

of a scope indicative of a large-scale Vietnamese threat to Thailand. They also believe that Vietnam, in the critical period before the General Assembly session, is unlikely to repeat even small-scale attacks across the border.

However, Vietnamese troops are continuing their attempts to dislodge Pol Pot forces from their enclaves. Beyond sporadic guerrilla activity, the Pol Pot forces have not shown any capacity for offensive action, even during the current rainy season, which favors such attacks.

Seoul Repression Charged

Kim Defiant as Trial Questioning Starts

By William Chapman

SEOUL, Aug. 18 (WP) — South Korean opposition leader Kim Dae Jung, on trial for allegedly plotting today by refusing to answer many questions and declaring that his case amounts to political repression.

Mr. Kim spoke out briefly as the first day of interrogation by military authorities began and then announced that he would not respond to questions. He sat in determined silence as a prosecutor quizzed him about his past through a morning session.

But later in the day, after conferring with attorneys, he launched an hourlong defense of his past connections with a foreign organization that the prosecutor charged was Communist-led.

Another of the 24 defendants in the trial, the Rev. Moon Ik Hwan, also spoke out, declaring that all the defendants were refusing to accept the trial's legitimacy. Mr. Moon and several co-defendants were dismissed from the courtroom, leaving Mr. Kim to be tried alone.

Report Censored

Military authorities showed that they intend to keep a tight control over news accounts of the trial. A "pool" report of the proceedings prepared by two reporters was heavily edited by military censors, who deleted all traces of Mr. Kim's and Mr. Moon's protests. Accounts were obtained from observers present in the courtroom.

Mr. Kim, who for years has been South Korea's most prominent opposition leader, is accused of attempting to incite an overthrow of the government this spring.

Looking pale and rather weak, the 56-year-old Mr. Kim explained, according to the observers, that he had no objection to the panel or the prosecutors, but he contended that the trial was being used as political repression. He pointed out that he had previously been cleared of charges that he violated a now-abolished emergency decree and had been given amnesty.

Foreign Concern

The trial pits Mr. Kim against the country's military leadership, which arrested him on May 17 in a major crackdown on dissidents. It has aroused the interest of many foreign governments concerned about his ability to receive a fair trial. A U.S. State Department spokesman has said that the charges against him seem to be far-fetched.

Families of the defendants have questioned the trial's fairness, saying they had been unable to obtain legal counsel of their choice. They said 20 lawyers who normally handle civil rights cases had been taken

into custody and that four others associated with the dissident movement had been forced to suspend practice for one year.

They said that authorities had tried to force them to select lawyers a few days before the trial opened but that they had refused "because we believed that it was impossible for the lawyers to defend freely," as one put it.

Six lawyers appeared in the court-martial proceedings today to act in Mr. Kim's behalf. So far, his wife said, she has refused to agree to the appointment of lawyers.

Torture Charged

The families also charged that most of the defendants had been tortured under questioning and forced to make false confessions.

The trial also has international

political overtones. Conviction under cloudy circumstances may bring a series of protests from other countries and could affect relations between South Korea and its chief ally, the United States. An observer from the U.S. Embassy is sitting in on the proceedings.

Mr. Kim is accused of violating martial-law decrees, the national security law, the anti-Communist law and the foreign exchange control law.

Specifically, a lengthy indictment accuses him of financing a student uprising in May and of attempting to instigate a violent toppling of the elected government, with the hope of attaining power himself.

Communist Ties Alleged

The indictment also alleges that he has periodically had meetings with Communists seeking to unite the country with North Korea. In the past, Mr. Kim has denied having Communist associations.

In his burling statement late in the day, Mr. Kim responded to charges that he had participated in an organization formed in Japan and known as the Hammitong. The prosecution has charged that it is Communist-oriented and sympathetic to North Korea.

Mr. Kim said that he intended the organization to be used to oppose "the dictatorial system of Park Chung Hee" but had no idea it was supported by pro-Communist forces in Japan. He said he never intended it to be friendly to North Korea.

The object was discovered 12,000 feet down on the ocean floor by a specially designed sonar sled that had picked up five targets — three of them rocks — before picking up the outline of the crewed object. However, winds gusting to more than 50 mph and waves more than 10 feet high prevented television and still cameras from taking a closer look at the object. The crew also reported that its food and fuel supplies were dwindling.

The area it was exploring, about 380 miles off Newfoundland, is generally agreed to be the site where the luxury liner went down on its first voyage in 1912, although its exact location has never been pinpointed. Jack Grimm, the Texas oilman who financed this search as well as others for the Loch Ness monster and Noah's ark, said yesterday he would probably send another mission out next summer with a submarine.

"If we find it, it's the Titanic; if we don't, it's the legend of the Titanic," Mr. Grimm said.



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Pravda Charges Austria Permits Nazi Resurgence

MOSCOW, Aug. 18 (Reuters) — Pravda today accused Austria of neglecting its obligations under the 1955 four-power state treaty by tolerating a resurgence of Nazism.

In a dispatch from its Vienna correspondent, the newspaper said the recent showing of the neo-Nazi National Democratic Party, which won 140,000 votes, or about 3.2 percent, in the Austrian presidential elections in May, demonstrated that there was a real danger of a rebirth of Nazism on Austrian territory.

The newspaper asked, "Why, over the last three decades, have the NDP and kindred organizations, by their very existence, been allowed to undermine the very basis of two vital articles of the treaty — Article 9, demanding the eradication of all traces of Nazism from Austrian politics and culture, and Article 4, which bans all pan-Germanic propaganda?"

When the Austrian state treaty was signed in 1955, four-power occupation by the Soviet Union, Britain, the United States and France ended. Austria also assumed neutral status.

Icelanders Flock To See Eruption

REYKJAVIK, Aug. 18 (Reuters) — Iceland's Mount Hekla volcano erupted yesterday for the 16th time in recorded history, causing a traffic jam on nearby roads as thousands went to watch it perform.

The 1,491-meter (4,892-foot) peak was split in two by the eruption, the first major activity since 1947, when the activity continued for a year.

Icelanders marked the occasion with a mass picnic, and the volcano's lower slopes were crowded with spectators enjoying the display. Most volcanic activity was on the southwest side where about 20 fire-fountains spewed flames, rocks and smoke.

India, Bangladesh Announce Accord On Illegal Migrations, Border Peace

DACCAs, Bangladesh, Aug. 18 (Reuters) — India and Bangladesh have agreed to stop illegal migrations and to prevent their countries being used for hostile activities against each other, it was announced today.

A joint statement, issued after a three-day visit by Indian External Affairs Minister P.V. Narasimha Rao with his Bangladesh counterpart, Mohammed Shamsul Hing, said that the two sides would make efforts to ensure peace on their borders.

The two countries also agreed to prepare for the emergence of a South Asian forum and summit meeting on international cooperation in the region, suggested by Bangladesh President Ziaur Rahman two months ago.

The statement also said that a meeting of experts would be held in November to determine the two countries' territorial limits in the Bay of Bengal. They also decided to study the question of ownership of two recently surfaced islands in the bay.

India and Bangladesh have agreed to cooperate in a political solution to problems of water requirements of both countries during dry months, as well as through a joint river commission.

Grenada to Ask U.S. For Hurricane Aid

ST. GEORGES, Grenada, Aug. 18 (UPI) — The Caribbean island of Grenada, one of the most arid and anti-American nations in the hemisphere, will ask the United States for aid in rebuilding after the recent passage of Hurricane Allen, a Cabinet minister said.

Unison Whiteman, minister for agriculture, tourism and fisheries, said he hopes the United States will follow the lead of international organizations and send aid. "This kind of emergency situation requires sympathetic consideration quite apart from political differences," he said.

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No Peace in Seoul

How self-satisfied Gen. Chun Doo Hwan sounds. South Korea's emerging strongman was talking the other day about the publicity he has received since the death of President Park Chung Hee. "Before Oct. 30," he said, "I was not known at all outside the military. International society of course did not know me. There have been big changes since then [and] I didn't run away from responsibility and now, as a result, I did receive public attention."

One reason Gen. Chun is so pleased with his clippings is that it's a crime against the state to utter anything unpleasant about Gen. Chun, who is now reportedly about to enthrone himself as South Korea's president. Likewise, it can be a penal offense to call for elections, civil liberties or the rule of law. Indeed, a death penalty is possible in the trial now under way of Kim Dae Jung, an opposition leader who has persistently contended that South Koreans have a right to elect their rulers.

Gen. Chun may believe that in its heart of hearts, Washington approves of repression, just as the South Korean press asserts. The Export-Import Bank, for example, which counts South Korea as its single largest borrower, is going ahead with all pending loan projects. John L. Moore, the bank's presi-

dent, went out of his way during a visit to Seoul to insist that it was business as usual with General Chun. And now there are reports that the commander of U.S. military forces in South Korea says that Washington "has decided to support" Gen. Chun.

Gen. Chun may also believe that Americans have no choice but to acquiesce in whatever he does. After all, Washington has a strategic interest in defending South Korea, as attested by some 40,000 U.S. troops stationed there. Besides, U.S. corporations have invested billions in a booming South Korea, which has become a major importer of U.S. products. Anyway, who could be paying any attention to Seoul during a U.S. election campaign?

Still, Gen. Chun should not misjudge U.S. opinion. Most Americans who care about South Korea are dismayed by his brutality and look upon his show trial of Kim Dae Jung as morally indistinguishable from what passes for justice in Communist North Korea. If Washington has given a false impression of the true state of U.S. opinion, then it is misleading the Seoul regime. There are limits to tolerance, and Americans are unlikely to extend a blank check to a South Korean general at war with his own people.

THE NEW YORK TIMES.

Food Prices: A Nasty Surprise

An obscure U.S. economic statistic known as the Producer Price Index, published on Friday, delivered an ominous message. The PPI tracks the prices at which businesses sell each other things like chemicals, machinery, fuel, foodstuffs. There are several ways to measure inflation, and the PPI is one of them. Last month, according to this latest number, it was being driven sharply upward by higher food costs — particularly in grain, meat and poultry. Through the spring, the PPI for finished goods, which includes food, had been rising at the comparatively modest rate of half a percentage point a month. But from June to July, it suddenly shot upward 1.7 percent.

One reason was the drought and its effect on crops. Another was past cost squeezes on the people who raise livestock and chickens. They have been cutting production for some time, and the effects are beginning to show up in the prices. The wholesale price of poultry, in that one month alone, went up 28 percent. Food prices are notoriously volatile, and one month's statistics do not set a trend. But this number is a decidedly nasty surprise.

It still seems likely that the recession is now approaching bottom and, next year, will begin a slow recovery. But economists for Goldman, Sachs and Co., the investment banking firm, suggest that there's another possibility — not a probability, they emphasize, but a possibility. They call it the double-

dip recession. The present recession might be followed by a brief upturn and then further decline. Why? The main causes would be the slowing now visible in the European economies and the effects of the drought on inflation in the United States.

That unpleasant possibility illustrates a point that we have occasionally made in this space. The familiar and conventional techniques of economic policy are no longer reliably available. In past recessions, the government could safely increase spending and reduce interest rates to stimulate the economy and create jobs. The danger of inflation would only come later, well into the recovery. But in this year of recession, two important sources of inflation have been entirely beyond the reach of the government — oil price increases abroad and had weather here in North America. If the inflation rate now rises, interest rates will certainly go up regardless of slack in the economy. That would severely weaken any recovery ahead, just as economic trouble in Europe — translated into falling demand for U.S. exports — would also weaken it.

The double dip is still unlikely, but every hint of high inflation next winter makes it less unlikely. The PPI for foodstuffs is only one small sign of change, to be sure. But it is change in the wrong direction.

THE WASHINGTON POST.

Reagan, Spare That Tree!

"Propostorous" seemed about right for the statement that Sen. Edward Kennedy attributed to Ronald Reagan in his speech last week: "80 percent of air pollution comes from plants and trees." But immediately from Reagan headquarters in California came word that the senator had misquoted the former governor. What Mr. Reagan had in fact said, his deputy staff chief informed the press, was that "80 percent of nitrogen oxide pollutants in the air come from plants and trees, not 80 percent of all air pollution." Oh.

If something tells you that it still sounds fishy, you're right. Like so many other campaign clarifications, this one only makes matters worse. So here, for the record, is more than you will ever again want to know about nitrogen oxides. If it begins to sound too much like high school chemistry class for comfort, bear with us: There will be no quiz at the end.

There are three types of nitrogen oxides in the atmosphere. Their names sound alike but they aren't — two of them are pollutants and one of them isn't. The one that isn't, nitrous oxide, amounts to more than 90 percent of the total. If he was talking about anything, this is the one Mr. Reagan was probably talking about. It is given off by a relatively small class of bacteria known as denitrifying bacteria. Plants and trees do not emit any gaseous nitrogen oxides — in fact, they spend most of their time and energy taking in nitrogen from the soil. Nitrous oxide (which you

might also recognize as laughing gas, although this is a serious matter) is a biologically natural and benign gas. Its chief role is to control the ebbs and flows of the ozone layer in the stratosphere.

The other two nitrogen oxides, nitric oxide, and nitrogen dioxide, are the pollutants. Both are principally the products of combustion — the burning of coal in a power plant or gasoline in an automobile engine. Nitric oxide is a colorless gas that in itself is not particularly toxic. However, it reacts with hydrocarbons and sunlight to produce smog that can harm or kill plants and animals. It is also oxidized in the air to form the orange-brown nitrogen dioxide, which is quite toxic. It interferes with the blood's ability to carry oxygen and can produce various types of lung damage. Nitrogen dioxide also reacts with water vapor to form nitric acid, which gives us acid rain.

We like to be helpful, so here is what Mr. Reagan can say if — though it seems unlikely — he should ever again wish to comment on the nitrogen cycle: "90 percent of all nitrogen oxides come from denitrifying bacteria." It hardly seems a slogan to campaign on, but it has the advantage of being right. For those of you who were wondering if you should pave over your back yards in the interest of cleaner air, forget it — plants and trees are innocent of polluting the air. Man-made air pollution, Mr. Reagan notwithstanding, is still the problem.

THE WASHINGTON POST.

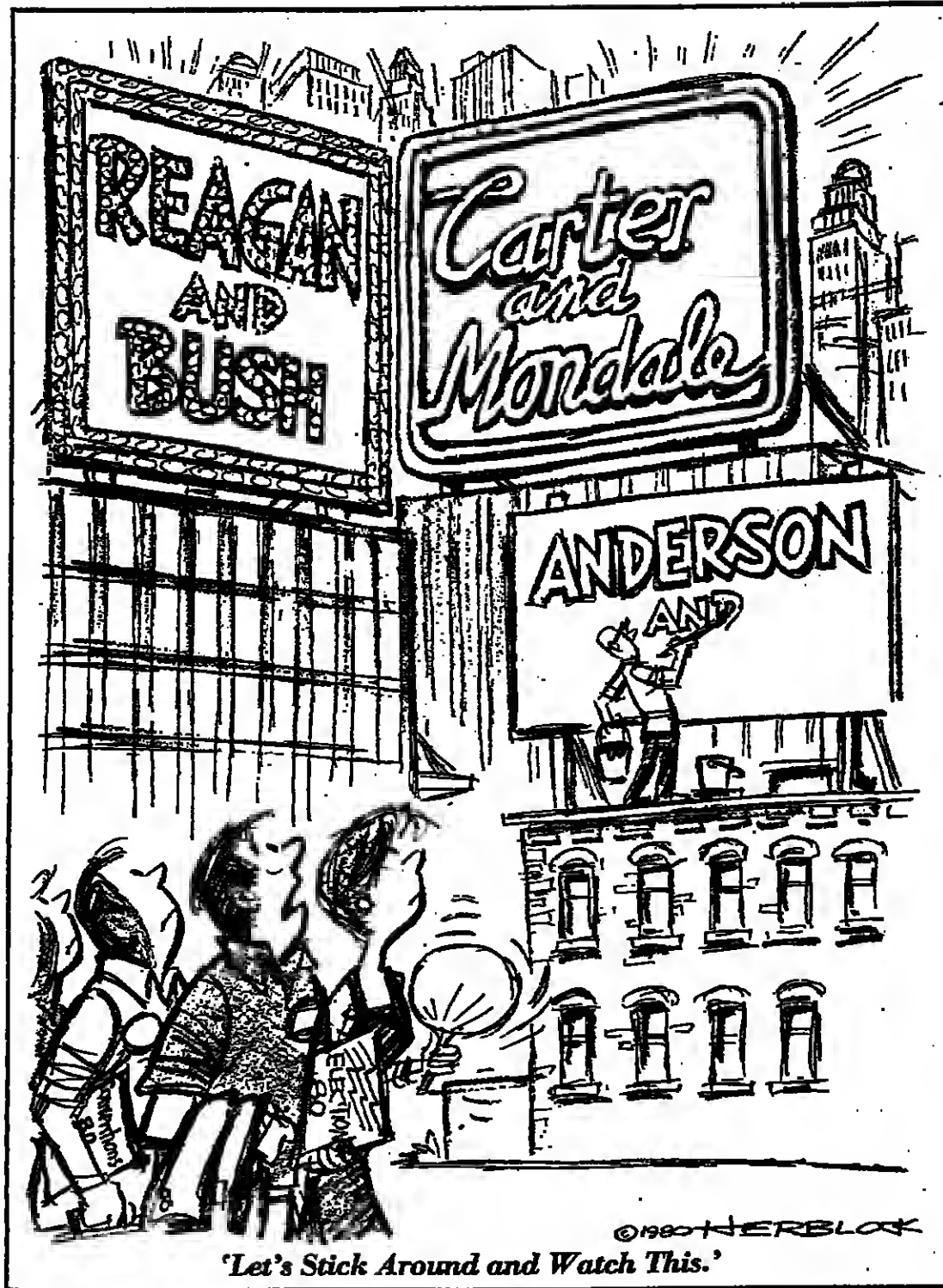
In the International Edition

Seventy-Five Years Ago
August 19, 1905

ST. PETERSBURG — The czar has granted a constitution to Russia, in a proclamation that declares a Duma is to be elected. Electoral regulations will be prepared immediately, and the deputies from the Don provinces will assemble not later than January, 1906. Members of the Duma are to be elected by the population of the empire for five years. The president and vice president of the Duma are elected by the body itself for one year; the former will submit to the emperor reports on the work of the Duma. Members of the Duma are to have absolute freedom of opinion and debate and cannot be deprived of their liberty by the authorities.

Fifty Years Ago
August 19, 1930

JACKSONVILLE, Fla. — An alleged attempt to assassinate Gov. Doyle Carlton to obtain control of the lucrative gambling and liquor traffic in Florida was uncovered by state police today. Three men have been arrested in connection with the plot, including Fred Eberhardt, editor and publisher of the Florida State News. It was said that the plot had as its object the creation of a situation such as flourished in south Florida during the boom days when every building that was not tenanted with real estate offices was occupied with gambling "joints" and speakeasies. With the election of Gov. Carlton, the lid was clamped down tight on such resorts.



'Let's Stick Around and Watch This.'

Bonn's Pursuit of Ostpolitik

By Leopold Unger

BRUSSELS — According to some of the people behind the Berlin Wall, the only difference between East Germany and a theater is that in a theater there is always an emergency exit.

This type of joke does not elicit a smile in Bonn, but it does keep the West German leaders on the move. While Chancellor Helmut Schmidt's meeting with Polish party leader Edward Giersek today was postponed, he plans to go to East Germany next week for talks with the party boss there, Erich Honecker. All this following on Schmidt's recent trip to Moscow shows that Bonn is determined to do all it can to salvage what can be saved of the Ostpolitik that was almost destroyed in Kabul.

It was 10 years ago that Ostpolitik made its debut on the international diplomatic scene. At that time, Willy Brandt, who was then West German chancellor, and Leonid Brezhnev, already the head of the Soviet Communist Party, signed a West German-Soviet treaty which launched a period of stability in Europe, characterized by a broad improvement in relations between East and West.

Six months later, Mr. Brandt went to Warsaw for what was to be a historic trip. West Germany then recognized Poland's western borders and, in a striking gesture of reconciliation, Mr. Brandt fell to his knees before the monument to the victims of the Warsaw ghetto.

Agreements
Bonn's Ostpolitik was completed by a series of agreements: on September, 1971, a four-party accord on Berlin; the December, 1971, pact on transit through Berlin; and on travel between West Germany and East Germany, in May, 1972. In December, 1972, the two countries signed a "fundamental treaty."

At the same time, the United States and the Soviet Union followed a similar line of action. Former President Richard Nixon went to the Soviet Union and Mr. Brezhnev to the United States. They signed the SALT-1 accord and with 33 other chiefs of state — the Helsinki pact on Aug. 1, 1975. That agreement was to bring security and cooperation in Europe, as well as the respect of the rights of the people.

Detente became official policy despite the existence of two separate German states, two European alliances to opposite and rival social, political and military blocs. And detente led to a number of visible positive results. While the Berlin Wall remained, travel between the two Germanys went only in one direction (except for aged persons on pension), and East European citizens continued to escape in droves to the West.

At the same time, the cost of the Ostpolitik could be considered fairly high: huge credits from Western Europe have been used to fill the empty coffers of the Eastern European states. East Germany, for example, gets 3 billion Deutsche

marks (\$1.7 billion) a year from West Germany for "cost sharing" and thus has become, in effect, the 10th member of the Common Market.

West Germany accounts for more than 50 percent of the trade between the Common Market and the countries of the East European trade association, Comecon.

Toward the end of last year, just after the Soviet-U.S. hugs and kisses in Vienna, the Ostpolitik formula appeared to be doing less of a job and in need of restyling. Mr. Schmidt decided then to undertake some new initiatives. His relations with Mr. Brezhnev were cordial and Mr. Giersek had become a friend. The next step, he felt, was his to take in going to meet Mr. Honecker.

"I am ready, if necessary, to go to East Germany early in 1980," he told a number of journalists last November.

Kabul Coup

But he did not go then. Bonn was under deep shock after the Kabul coup. Detente appeared dead. Despite Helsinki, despite the Ostpolitik, the world situation was fast disintegrating.

But not for long. Two months after the invasion, Mr. Schmidt in an unprecedented move, telephoned Mr. Honecker. "We must see each other," he reportedly said. "We must do everything to prevent German soil from becoming a battle ground again."

It was then that Mr. Schmidt began zigging and zagging. He refused to allow West German athletes to attend the Moscow Olympic Games, but he permitted German firms to sign and respect a number of large contracts without which the Russians would have been unable to organize the Games.

He declared that the invasion of Afghanistan was not acceptable, but he signed the biggest postwar Soviet-German contract for \$15 billion of Siberian (and Afghan) natural gas in exchange for pipelines and the technology to install the pipelines.

The Kremlin, meanwhile, remained calm, while making public the expected deliveries concerning the scandalous West German boycott of the Games and the "unreasonable attitude of Bonn toward Afghanistan." Yet, behind all the bluster, Mr. Brezhnev has done all he could to help Mr. Schmidt launch his own version of the post-Afghan Ostpolitik.

Ten years after Mr. Brandt's Eastern crusade, Mr. Schmidt has taken the same road, without, however, the same emotional reaction. Last month, Mr. Brezhnev received him in Moscow with all due honors and the Kremlin offered him what it called a concession over natural gas reduction of missiles just to give him something to show when he returned home and to prove that a dialogue can be worthwhile with Moscow, even if the United States is not there.

Elections

Mr. Schmidt believes in polls and he knows that two-thirds of the West German population refuses to accept the Kabul coup as a fait accompli and that two-thirds — perhaps the same ones — say that everything must be done to maintain detente. And there will be elections in West Germany within less than two months.

For Moscow, a renewal of Ostpolitik would tend to marginalize the Afghan affair, ease relations between the two Germanys and add further evidence to the Soviet theory that European interests "coincide

less and less with those of the United States."

Following the French connection, that is the "privileged relations" that Moscow has with Paris, the dialogue with Bonn is the main bypass that the Kremlin has succeeded in building around Kabul.

Just as the launching of the 1970 Ostpolitik campaign made it possible to erase the 1968 invasion of Czechoslovakia, the renewal of the Ostpolitik this year, will make it possible to forget Afghanistan.

The Kremlin would like to go this fall to the Madrid conference just as it went to Helsinki in 1975, without being embarrassed by all the ghosts of Kabul past, or yet to come.

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Nightmare Haunting Campaign of Carter

By David S. Broder

NEW YORK — A nightmare is haunting the Carter campaign, even in this moment of the president's convention triumph.

In the nightmare, it is the last week of October. The final presidential debate is past. Carter did not "destroy" Ronald Reagan, as Jody Powell and others had privately predicted he would. But he did plant serious doubts about Reagan's understanding of world problems.

The published polls have narrowed to a four-point Reagan margin, and John Anderson's strength has been declining ever since he got into a shouting match with Lane Kirkland, the AFL-CIO president, who accused him to his face of having "a worse labor record than Reagan."

Pat Caddell's private tracking data — based on 500 phone calls a night — is telling Carter that his support will pass Reagan's on Saturday, Nov. 1, and — barring a last-minute reversal — he should be a up couple of points by Election Day, Nov. 4.

But, also, Caddell is counseling his boss that the turnout factor is still worrisome; turnout is something even the best pollsters can only estimate, and if the actual turnout is at the low end of Caddell's probable range, Carter will lose.

A student of polls and political behavior, Carter does not need to be told why. A Democrat in a close race like this, he knows, must not only persuade voters to support him; he must mobilize the persuadable and move them to the voting places.

That is why Carter is embarking on this final, frenetic sprint at the end of what has been already a grueling campaign — to stir the crowds and build the turnout.

From Camp David, he heads south to Florida, stopping in Jacksonville and Miami — aiming to lock in his narrow lead and 17 electoral votes.

It is in Texas the next day that the trouble begins. His planners have committed two full days to the traditional itinerary, running him "up the valley" in south Texas to turn out the Chicano vote, then bringing him into Houston.

They have to have Texas and its 26 electoral votes to win. Everything else of consequence west of the Mississippi is headed to Reagan. Early in October, Carter had made two feints into California in hopes of making Reagan squander some resources to protect his home state. But now it is too late for feints. The West, including California, is giving Reagan its 103 electoral votes.

But Carter has gone no further than Brownsville, Texas, when the frantic calls from Washington headquarters reach him. They want to change his schedule.

According to plan, he is not scheduled back into the border

South in these final days. But now reports have come in that the George Bush-Howard Baker joint tour is moving Tennessee back into the Republican column, and Jesse Helms' campaigning is threatening to do the same thing in North Carolina.

If these 23 electoral votes are lost, along with those of Virginia, Mississippi and Louisiana — which were written off earlier — then Carter will have only 61 assured votes from the South. And that is not enough.

But there are worse problems. After leaving Texas, Carter is scheduled to spend the last 100 hours in five states he has to sweep to have a chance — of winning: Wisconsin, Michigan, Ohio, Pennsylvania and New York. Half the time will be lost to travel and sleep; so there are just 50 hours to secure 125 electoral votes.

The first reading after the Madison Square Garden convention in mid-August had counted only eight states with 65 electoral votes as "safe" for the president. And even some of those, like Hawaii and West Virginia, were placed in that category more on the basis of their voting history than their current polls.

By contrast, Reagan began with more than 200 of the 270 electoral votes he needed almost guaranteed. "I know how Jerry Ford felt in 1976," Carter said to someone. "We had him beat so bad coming out of convention hall, he never could catch up."

Back then, Ford and his running mate, Bob Dole, had been forced to squander valuable campaign time securing such normally Republican states as Indiana, Iowa and Kansas. This year, Carter and Vice President Mondale each spent full days in Massachusetts and Maryland, where a single brief visit would normally suffice.

Because of that, the big and vital swing states felt neglected, and in this last, anxiety-ridden week, 40 timetables came thundering down. Michigan is gone unless Carter's planned Macomb County stop is expanded to hit Flint and Saginaw as well. Both ends of Pennsylvania need work — and a single stop in the black wards of Philadelphia will not be enough.

The real crusher, though, is the finding — in Caddell polls — that states that ought to have been locked up weeks ago are still shaky. "Can you believe," Ham Jordan asks, "that Ed Muskie can't guarantee Maine and Fritz isn't even sure of Minnesota? And Rhode Island — you know we could lose the damn election in Rhode Island!"

"I sure wish Election Day didn't come so early this year," Jordan says. "God, what I would give for another three days."

This nightmare is a fantasy, but the Carter people fear it could become a reality.

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The Brzezinski Puzzle

By Anthony Lewis

BOSTON — Why does President Carter keep on as his national security advisor a man with a record of folly, distrusted abroad and divisive at home? That is the real question posed by the affair of the nuclear targeting policy.

What the public has heard, mostly, is that Secretary of State Edmund Muskie knew nothing about it when President Carter signed a directive making Soviet missile silos and command posts priority targets for our missiles. It was a slip, officials suggested, an inadvertence. It was not Muskie and the entire State Department were deliberately kept in ignorance of the policy by the national security advisor, Zbigniew Brzezinski.

The episode demands detailed consideration. For it adds up to a classic example of how not to run a government.

Threat

The strategic assumption for years was that a nuclear attack by either of the superpowers would bring devastating retaliation on the other's cities: a threat of such horror as to deter the use of nuclear weapons. But U.S. weapons have become so much more numerous, and accurate, that more have in fact come to be aimed at specific military targets than at cities.

The question was whether Carter should approve the new reality in an official strategy document. By doing so he would put the Russians on notice that if they used nuclear weapons anywhere, we could make a precise response on their military installations — rather than having as our only option a massive strike that no president would want to order. The limited option would be more credible, it was argued, and hence more likely to deter the Soviets.

But there are doubts. An announced policy of targeting Soviet silos might sound like a "first strike" strategy — the ability to knock out all or most retaliatory

power and hence leave the other side without a deterrent. Again, who would call off a "limited" nuclear war if command posts had been obliterated? And doesn't the whole idea of a "limited" nuclear war make the unthinkable seem more thinkable?

Brzezinski pressed hard, starting in the spring of 1979, for adoption of the new doctrine. No one at the State Department knew the study was under way until an official heard of it from a Defense Department colleague. Then Secretary of State Vance was told, and aides were included in three perfunctory meetings — but not in the bureaucratic process that mattered.

Dubious

Secretary of Defense Harold Brown and his people were in fact dubious about the idea of a formal new targeting doctrine, preferring to let reality develop. Apparently because of their reluctance, the idea was put aside last year.

Then, two months ago, Brzezinski revived it and began pushing it through. Drafting was done by a small group of his staff and Defense Department officials. Carter signed the paper, Presidential Directive 59, on July 25.

During the drafting period Muskie met several times with Brzezinski. He had breakfast with Brzezinski, Brown and Carter on the very day of the signing, July 25. He was never told about the targeting directive.

Whatever the merits of the policy, the way it was done had predictably bad results. The secretary of state was humiliated. Brown had planned to disclose the policy in a speech, playing it down as an inevitable development, and he was distressed to have newspaper stories dramatize it. He had advised allied defense officials, but the European public was agitated just at a time when the deployment of nuclear weapons is a growing political issue.

in Britain, Belgium, the Netherlands and West Germany.

The process was accurately appraised by Henry Kissinger: "Highly delicate, controversial issues that have remained unsettled for three and one-half years should not be resolved by public pronouncements in the middle of an election campaign."

The election was very likely Brzezinski's precise reason for reviving and rushing the proposal — with the idea of making Carter look tough and thus responding to Ronald Reagan's talk of nuclear weakness. Excluding the viewpoints of the State Department made it easier to push through, and surely also gave Brzezinski personal satisfaction.

"Relentless self-promotion," as a Wall Street Journal article put it, has been a prime Brzezinski characteristic. There is a discerning openness about his ego, as when he told a reporter that he was the only government official aside from the president in a magazine's list of the 10 most influential Americans. But his glib essays into policy-making have not been funny.

He told Carter to the end that the shah would survive, putting down other intelligences — and then, when the ayatollah won, said he welcomed the change because "it brings things to a head." His flamboyant behavior and provocative statements on a trip to China in 1978 pointedly damaged U.S.-Soviet relations. After the Afghanistan invasion he went to Pakistan and squandered down a gun barrel in the Khyber Pass.

Why does the president want such a person in a position that should be giving him the ability to make detached judgments from all the information? What worries people about Jimmy Carter is not his ability to deliver a convention speech but his ability to run a government.

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Herald Tribune

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August 11, 1980: Challenger wins certification to the toughest standards ever.

Last week, the Canadair Challenger received from Transport Canada its type certificate for passenger-carrying jet aircraft.

Certification came less than four years after Canadair's decision to go ahead with production and less than 22 months after Challenger's first flight.

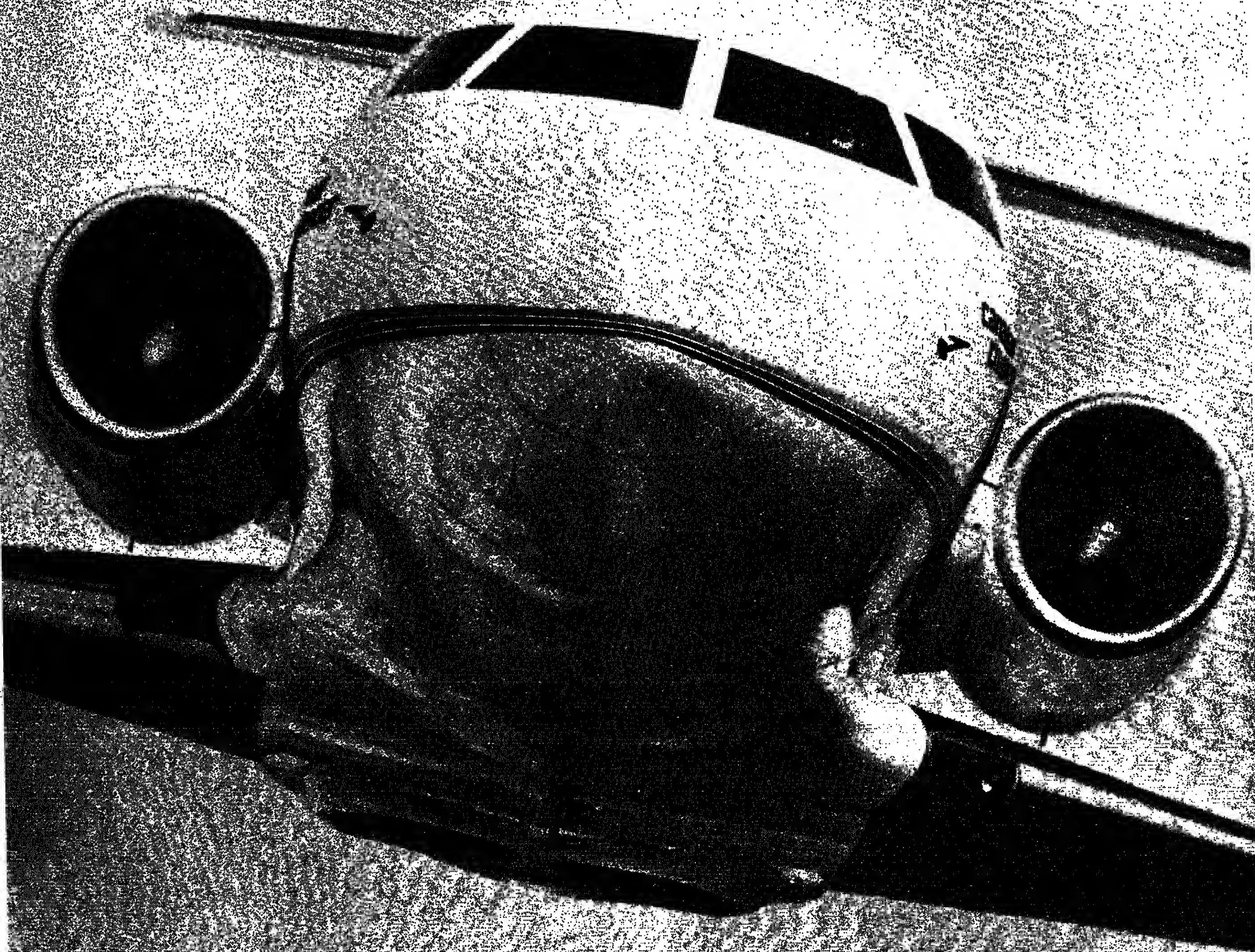
In those months, Challenger met the most stringent standards ever applied to a business jet. In fact, Challenger had to satisfy literally hundreds of design and safety requirements and meet additional criteria covering noise, emissions and reliability.

Challenger is the first all-new business jet certified since 1971. Since then, technological advances have been made in the areas of aerodynamics, materials and powerplants. Challenger incorporates this technology into a combination of room, range, and efficiency that is the envy of the business fleet.

Give the world's most thoroughly inspected business jet a closer look. Or check the plans for a new, extended Challenger E. Call James B. Taylor, Vice President of Canadair Ltd., at (514) 744-1511. Or write to Canadair Ltd., Dept. 18-24, P.O. Box 6087, Montreal, Canada H3C 3G9.

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FBI agent William Hayes, left, carries two gasoline-filled bottles as he escorts one of two Cubans held in Miami for hijacking attempt. The second suspect is in background, wearing hat.

Havana Rebuffs U.S. Calls To Help Cubans Go Home

MIAMI, Aug. 18 (NYT) — The State Department said yesterday that it had been rebuffed in repeated attempts to persuade Cuba to work out an arrangement for the safe and orderly return of refugees unhappy in the United States.

The department commented after a week in which six U.S. jetliners were hijacked to Cuba, and two apparent hijacking attempts were thwarted.

U.S. authorities have taken measures of their own to quell the surge of hijackings. Armed marshals have begun riding selected flights in Florida and elsewhere, and the "behavioral profile" of hijackers has been revised.

"We have repeatedly approached the Cubans, both formally and informally, to urge that they permit Cuban citizens who have come to the United States by boat to return to Cuba in an orderly and safe way," the State Department said. "These approaches began in May and many notes have been delivered to the Cubans, including the most recent one today. Thus far we have had nothing but rebuffs from the Cubans on this issue."

Concealed Gasoline
Yesterday, two Cuban refugees with gasoline-filled bottles concealed in their clothing were arrested at Miami International Airport just before boarding an Air Florida flight to Key West.

On Saturday, four men were arrested at the Tampa Airport after four plastic bleach bottles filled with gasoline were found in their carry-on luggage. They were about to board an Eastern Air Lines flight.

Three hijackings to Havana on Saturday, a record for one day, brought to six the number of U.S. planes diverted to Cuba last week. All of the hijackers were believed to be Cuban refugees unhappy with life in this country.

Dennis Feldman, a spokesman for the Federal Aviation Administration in Washington, said new security procedures included reviving the use of a behavioral profile, discarded seven years ago when the use of metal detectors began, to thwart potential hijackers at all airports in Florida.

At a news conference yesterday, William Neutles, assistant special agent in charge of the FBI office in Miami, said he had no evidence that the Cuban government was encouraging hijacking. The two men arrested yesterday had problems that seemed to be purely personal, he said.

The two were identified as Jose Antonio Pablo Lugones, 37, and Hector Caecares Pinero, 41. They reportedly told officials they had come to Miami from Union City, N.J., on Tuesday.

Mr. Neutles said that Mr. Pablo, who came to the United States by boat in May, wanted to see a sick child, one of 10 he had left behind in Cuba. Mr. Caecares, whose father went to Cuba and brought him back in the recent sea crossing operation, reportedly was depressed about being unable to find work or bring his family to join him.

At Miami International Airport, long lines of passengers were passing through security checkpoints yesterday. Few expressed concern about the possibility of a hijacking. Mr. Neutles said that security procedures could never be completely effective. The United States and Cuba, he added, should work out a safe sea or air transport operation to bring home Cubans who want to return.

William Hayes, an FBI agent in Miami, said Mr. Pablo and Mr. Caecares were detained by officers of the Dade County Public Safety De-

Walkout Ends at Reuters
NEW YORK, Aug. 18 (Reuters) — New York Newspaper Guild staff members at Reuters ended yesterday to return to work, ending a 25-day strike in the news agency's U.S. offices.

But Violence Continues

Salvador Junta Weathers Moves by Leftists, Mexico

By Christopher Dickey

MEXICO CITY, Aug. 18 (WP) — The elaborate political and diplomatic maneuvering behind the Salvadoran junta's move to a new step last week when the Mexican Foreign Ministry recalled its ambassador.

The move coincided with a concerted offensive on political, diplomatic and military fronts by El Salvador's leftist revolutionaries against the U.S.-supported government.

Yet the 10-month-old military-civilian junta in El Salvador seems stronger than ever, and the long-anticipated all-out insurrection appears to have been forestalled once more.

Mexico's withdrawal of Ambassador Hector Perez Gallardo was announced on the second day of a nationwide strike called by the leftists. Revolutionary Democratic Front. An earlier strike had largely shut down the volatile country, and it was expected that this one would do the same, but it did not.

Control, Obedience

Mexican Foreign Minister Jorge Castaneda suggested that his government might recognize both a state of belligerence in El Salvador and a rebel government there, presumably the Revolutionary Front, if it demonstrated "certain control over territory" and was "habitually obeyed by a substantial part of the population."

Given Mexico's growing influence in the region, such a move would deal a severe blow to El Salvador's rulers. But at the conclusion of the three-day strike Friday night it was clear that the effort was largely a failure.

Intended to demonstrate the power and following of the left, the strike suggested instead that Salvadorans are more interested in keeping their jobs, or are more afraid of the junta's guns, than they are interested in revolution.

The country did not grind to a stop. Where the guerrillas attempted to mount military actions, security forces replied with major firepower, using helicopter gunships and heavy-caliber machine guns. The death toll was well above 40 a day.

Economic Threat

To counter passive opposition to the government, Salvadoran businessmen — who have recently begun to work with rather than against the junta — made it clear that strikers would lose their jobs. In a vastly overpopulated country with steadily rising unemployment, such threats are a major weapon.

By some accounts, only 10 percent to 20 percent of the workers stayed off the job. The left's claim of active support, and not just sympathy, was greatly diminished.

Yet for all these twists and turns and apparent defeats of the left in its months-long guerrilla offensive, the junta has yet to take positive steps toward ending the repressive practices that have made it an embarrassment to the U.S. administration and have pushed moderate opponents into the camp of the revolutionaries.

Although U.S. diplomats in San Salvador have encouraged the government to attempt to reintegrate the moderate left, the junta — now flushed with success — has not indicated a willingness to negotiate.

The intransigence of both sides has kept El Salvador in a state of turmoil that has cost nearly 4,000 lives this year and that threatens the stability of the entire region.

Civil War

The north of the country is in virtual civil war, with pro-government villages and groups pitted against revolutionaries and the population at large facing food shortages.

Tensions are so high that anyone carrying arms is likely to use them at the slightest provocation. Wednesday night, U.S. Vice Consul Brian Woon was slightly wounded when Salvadoran National Guardsmen shot nine rounds into his armored car in an apparent case of mistaken identity.

Although the junta has talked of elections, there are no plans for them to the immediate future, and until they are held it is unlikely that anyone will know, despite the claims of each side, whom the Salvadoran majority supports. At present, pervasive fear reduces the question of political support to a question of intimidation.

Given such an environment, it appears unlikely that Mexico will take any more major diplomatic initiatives in the immediate future. But it is equally unlikely that El Salvador will soon find peace. As an observer put it, "There are too many people with too many guns."

Strike Interpretation

SAN SALVADOR, Aug. 18 (UPI) — El Salvador's leading prelate said yesterday that the failure of last week's national strike could not be interpreted as a show of support for the government.

Acting Archbishop Arturo Rivera y Damas said in his sermon at San Salvador's Metropolitan Cathedral, "They [the government and leftists] did not respect the rules of the game and people could not freely demonstrate how they felt because of the threats."

Bolivia Assails Washington Post For Drug Report

LA PAZ, Aug. 18 (UPI) — Bolivia's military government accused The Washington Post yesterday of taking part in an international plot to discredit the regime by reporting allegations of official involvement in drug trafficking.

The Foreign Ministry said that what it called international extremists had organized attacks against the Bolivian government, and said such attacks had appeared in the West German magazine Der Spiegel and then in The Post.

The ministry said that a story in The Post last Thursday, which reported that the U.S. State Department was terminating its anti-narcotics programs in Bolivia, was "filled with slander, not only against the Bolivian government but also the Bolivian people." The Post said organized attacks against the Bolivian government, and said such attacks had appeared in the West German magazine Der Spiegel and then in The Post.

David Passage, a U.S. State Department spokesman, was also assailed by the ministry for "echoing the insidious offense." Mr. Passage said the United States had no basis to expect the kind of cooperation from Bolivian authorities that would allow the anti-narcotics programs to continue.

The Bolivian regime, which seized power in a coup July 17, has not been recognized by the United States.

23 Guatemalans Die In Political Violence

GUATEMALA CITY, Aug. 18 (UPI) — At least 17 persons have been killed in the latest round of political violence in Guatemala, and the bodies of another six assassination victims have been found in a secret graveyard, authorities said.

The bodies were found during the weekend, one of the most violent 48-hour periods in the country this year. Several of the victims, including two teen-age boys, were tortured before they were killed, authorities said.

Food

Chicken: The Pampered Poulet de Bresse of France

By Patricia Wells

LOUHANS, France (NYT) — "Poulet," they pause with reverence before completing the phrase, "de Bresse." For to a country where lineage and signature labels count for everything, poulet de Bresse is the king of chickens, the chicken of kings, venerated by French farmwives and three-star chefs.

Here in France's barnyard, a land of fertile plains and sun-bathed hills, the soil and climate combine to create an ideal environment for the elite Bresse breed of French poultry, distinguished by their coral combs, snowy feathers and brilliant blue legs.

Unlike the assembly-line birds that appear in supermarkets pre-cut and plastic-wrapped, the free-running poultry of Bresse are delivered to market with certified lineage. The bird, which takes its name from the Bresse region in which it has been raised for centuries, is sold wearing a red-white-and-blue badge with the name of the producer and a silver leg band bearing the grower's identity number.

Each year France produces 500 million chickens, but only 1 million have the right to the Bresse label. Raised on tiny, tranquil farms, the poultry of Bresse enjoy a pampered life for more than three months, running free, digging up worms, dining on insects and cracked corn from nearby fields.

They drink the water of streams fed by the snowy peaks of the Jura mountains to the north, and live out their final 15 days in a *salle finition*, or finishing room, in a small barn, where the plump become plumper on a diet of whole milk and white corn. All these elements create a rich, moist, subtly flavored four-pound bird, plump but almost free of fat, with fine

white skin and firm but tender meat. By comparison, the French industrial chicken — of Cornish, not French, lineage — spends six to eight weeks crowded indoors, living on a high-fat diet of commercial feed, growth hormones and antibiotics. The result is a small, spongy, watery bird, with a flavor so undeveloped it is nearly nonexistent.

Poultry Parity

The Bresse legend goes back centuries, and everyone from King Henry IV to Brilla-Savarin has raved of the region's poultry. But it is only since 1957 that the birds of Bresse have rated an official government pedigree, an appellation such as the French confer on their best wines. Before then, any poultry from the region could be sold as Bresse poultry, regardless of breed, diet, age and growing conditions.

Today, the criteria are controlled by a government committee.

Volaille de Bresse au Vinaigre de Framboise

1 3-to-4-pound chicken, cut into serving pieces, with breast skinned, boned and cut into two fillets
12 tablespoons butter
2 tablespoons olive oil
8 shallots, peeled and left whole
Salt and freshly ground pepper to taste
1 cup raspberry vinegar

1. Preheat oven to 425 degrees.
2. In a large oven-proof skillet combine five tablespoons butter and the oil, and over moderately high heat brown all but the breast pieces. Add the whole shallots, season with salt and pepper and roast in oven for 20 minutes.
3. Meanwhile, in another frying

pan, gently saute the breast pieces in five tablespoons of butter. Sauté for a total of five minutes. Do not overcook or the meat will dry out and become tough.

4. Remove chicken and shallots from oven and transfer, along with breast pieces, to a heated serving platter and keep warm.

5. Deglaze roasting pan with raspberry vinegar over high heat. Reduce sauce by half. This will take about 10 minutes. Just before serving, add remaining two tablespoons butter and heat through. Four over chicken and serve. This is excellent with fresh buttered noodles.

Yield: 4 servings.

poulettes de Bresse, female birds that go to market at five months, weighing upwards of five pounds. Others raise flocks of Bresse capons, the castrated male birds that live six months and spend the final month to finishing room dining on corn and milk. Last year a single Bresse capon, named best of breed at an annual agricultural competition, sold for 500 francs, or about \$125.

Blue-Leg Protection

The distinctive blue legs of the Bresse breed serve to protect the farmer as well as the consumer. But fraud is not easy to detect. Since restaurants do not serve Bresse birds with labels and appendages, all one can do is take the management's word when *poulet de Bresse* appears on the menu.

Fraud involving chickens purportedly from Bresse is said to be uncommon; about a dozen incidents are discovered each year. Besides fines of up to \$1,300 each, merchants and restaurateurs are subject to public humiliation. Notices of fraud are posted in the markets or restaurants, and the public is informed through advertisements in local newspapers.

However, outside France, Voltaire has no jurisdiction, and Bresse poultry is exported throughout Europe, including Switzerland, Germany, England and the Netherlands.

What about the authenticity of all that Bresse pigeon appearing time and again on French menus? That's another story.

"If a pigeon happens to land in the Bresse region, and he's caught there, he becomes a Bresse pigeon," said Voltaire, who explained that although the birds appear in the markets with their official (red-white-and-blue) label, they are wild, not domesticated, and certainly not raised by any specific standards.

Exhibitions

The Traveling Anatomy Show of 'Doctor' Spitzner

Maureen Sherwood

PARIS (IHT) — The fairground music coming from the sober-looking Belgian Cultural Center in Paris sounds like fun. But wait. From the outside, all that can be seen is an eerie, heavily breathing female figure who seems to be asleep. "Venus Resting," it turns out to be. This may be more than a mere circus.

Inside, the visitor is greeted by lacinated bodies, severed heads with operating knives entering them, women in agonizing childbirth helped by dismembered hands, faces wasted with syphilis, cancerous tongues, infected limbs, rickety fetuses. They're mostly made of wax, but very lifelike. "I can't bear it," says a young woman who has just arrived, and who then spends 20 minutes staring at a guillotined head.

"Doctor" Spitzner's spooky collection of 19th century anatomical waxworks is drawing daily crowds of about 700 despite the August exodus of Parisians. A dozen or so of them so far — almost all men — couldn't take it. "They just fainted clean away and had to be revived," said Mario-Claire Martens, one of the hostesses at the center. Not astonishing if you imagine wax images of major surgical operations and detailed, life-sized replicas of dis-

eased organs — all in the name of "social hygiene."

Pierre Spitzner (it is unlikely that he ever was a doctor) was born in Alsace in 1834 and opened his "Great Anatomical and Ethnological Museum" in Paris in 1856. In 1885, forced to close the museum, he became a kind of nomad, and took the exhibit traveling in Belgium, mainly to be seen at fairs.

At the time, it contained 80 items that had belonged to an old anatomical collection. Always outside the museum, as a bizarre attraction, were the Tocci brothers, Baptiste and Giovanni, born to Sardinia in 1877, were Siamese twins joined from the shoulders down. They had two heads (both handsome, judging from the poster) four arms, one stomach and two legs. The twins exploited their weird appearance to the full. They made a considerable fortune appearing at fairs in Europe and the United States, and were able to retire at 20. They then married a pair of sisters and settled down on their estate near Venice, where they lived happily to the age of 63.

Over the years, the Doctor Spitzner's collection was added to regularly, but several of his museum pieces have inexplicably disappeared. According to the 1895 catalog, the museum once boasted an Egyptian mummy 4,500 years old. The anatomical items were all made by the leading anatomists of the time.

Hygiene Fanatic

Spitzner was something of a health and hygiene fanatic. The items in the museum include a healthy liver next to that of an alcoholic — a highly realistic warning in a separate part of the exhibit, forbidden to children, the dangers and consequences of venereal disease ("Prevention is better than cure" says the notice on the wall) are hideously portrayed. The weak-minded have been warned.

There is a strange presence in the wax figures. The faces have a calm, sad beauty. When an expression of pain is intended, the eyes are larger — their long eyelashes seem to flutter. Heads under the surgical knife have a resigned, relieved expression, deathlike. The women in childbirth are exquisitely clothed in rich silks and lace and lying on cushions of black plush. Their hair is beautifully waved in the Victorian, pre-Raphaelite tradition. The wrists of the dismembered helping hands are clad in black velvet with white cuffs.

Many of the smaller items are in glass boxes, carefully labeled and catalogued as they were in the 19th century. Others are framed ornamentally in dark wood.

The museum has recently been revived after more than 20 years of neglect in an open warehouse. Jean Coquet, of the Exelles Museum in Belgium, suggested to a woman named Margo Brynnyne that she undertake the job of reanimating the traveling exhibit. So far she has been to Brussels and Rotterdam, and after Paris plans to tour Europe. Aside from tourists, many of the visitors are students. Medically,

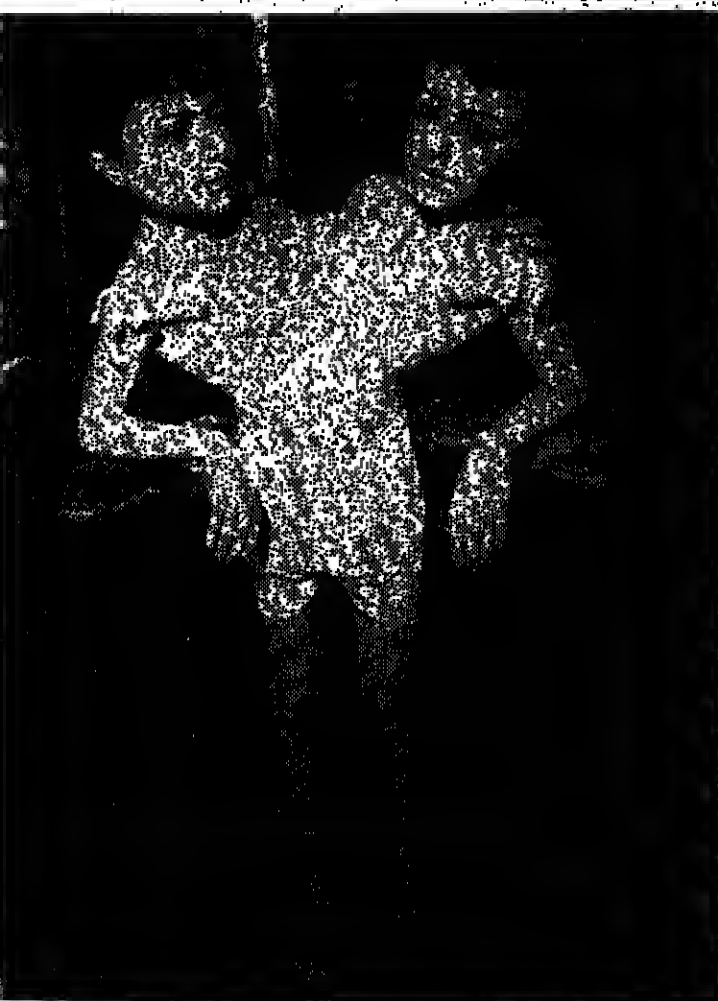


Photo of Tocci Siamese twins is on exhibit's poster.

The exhibit is an exercise in accuracy. The exhibit continues until Sept. 7 at the Centre Culturel de la Communauté Française de Belgique, 127-129 rue St-Martin, Paris, just in front of the Pompidou Center, open daily except Monday 11 a.m. to 6 p.m. Admission is 10 francs for adults, 5 francs for students.

ADVERTISEMENT

International Restaurant Guide

FRANCE

PARIS - RIGHT BANK
BONNE FOURCHETTE 320 Rue St-Henri, 260.45.27. Classic French, generous portions, extensive choice. Business lunch, dinner, 2 a.m. to 2 a.m. Grosse roasts, Sea food, Air-conditioned.
LE CONGRES 7, rue de la Grande-Armée, 57.47.24. Every day 7 a.m. to 11 p.m. Air-conditioned.
GOLDENBERG JO 7, rue de la Grande-Armée, 57.47.24. Every day 7 a.m. to 11 p.m. Air-conditioned.
GRAND ZINC 7, rue de la Grande-Armée, 57.47.24. Every day 7 a.m. to 11 p.m. Air-conditioned.
LA MERE CATHERINE 6, place du Tertre, 466.32.69. Traditional cuisine. Wide choice of specialties. Terrace and garden.
MOISSON DU CIEL 1, rue Chaligny (Boulevard) 272.27.25. Closed Monday. Refinement, French specialties. All credit cards accepted.
St-Jean-Pied-de-Port 122 av. Wagram (17^e), 227.61.50. Daily until 11 p.m. Menu 1.105 fr. serving, Summer terrace. Closes at 11 p.m.
TSE YANG New, 25 av. Pierre 1^{er} de Serbie, 720.66.02 - 70.22. Traditional French gastronomic Chinese cooking. Private reception rooms.

PARIS - LEFT BANK

ASSIETTE AU BEURRE 11 Rue St-Benoit/Pl. St-Germain-de-Paris, 260.87.41. Buffet menu F45 + serv. Daily 11 a.m. to 11 p.m.
LA COUPOLE Restaurant-Bistro, 11 av. de la Grande-Armée, 320.14.20. 100 fr. Buffet. Open in August.
LA PETITE CHAISE 26 Rue de Granelle, 222.13.35. Menu F. 43. Refinement, French specialties. All credit cards accepted.
RESTAURANT PARC MONTSOURIS 20 Rue Cassini, 1^{er} arr., 484.34.55. Menu F. 73.60, service included.

HOLLAND

AMSTERDAM
RUB ROOM At the Amsterdam Sonesta Hotel. The best imported U.S. beef in town. Day and dinner to five music in an elegant atmosphere. Kattegat 1, (020) 212222.

SWITZERLAND

GENEVA
LA PERLE DU LAC "La Nouvelle Cuisine Française". Magnificent view of the Alps and Geneva. 128, Rue de Lancy, Tel. 31.35.04.

BUSINESS NEWS BRIEFS

ITT Denies Alleged Improprieties in Nigeria

WASHINGTON, Aug. 18 (WP) — International Telephone and Telegraph has denied any knowledge of illegal payments to secure contracts in Nigeria.

Responding to a story in The Washington Post, the company said a special review committee of its board of directors has reviewed ITT's Nigerian contracts and "no evidence of illegal contracts has been found."

The Post story said ITT has made questionable payments of millions of dollars beginning in 1975 and continuing into this year to gain telecommunications sales contracts in Nigeria. The Foreign Corrupt Practices Act of 1977 makes it a crime for a U.S. corporation or any individual acting on its behalf to make payments to an official of a foreign country in exchange for assistance in obtaining business.

ITT, in a prepared statement, said, "Our top management and board of directors have made every effort to find out the facts relating to so-called 'questionable payments' by anyone and anywhere in our company."

The company said that if The Post has evidence of such payments the evidence should be turned over to the special review committee — which was created by the Securities and Exchange Commission to investigate overseas payments — or to ITT management.

Japan Air Orders 4 Jets for \$244 Million

TOKYO, Aug. 18 (Reuters) — Japan Air Lines said it has ordered four new wide-bodied passenger jets at a total cost of \$244 million for delivery in March, 1982.

The purchases, subject to government approval, include two Boeing 747s, costing about \$68 million each, and two McDonnell Douglas Corp. DC-10s at about \$54 million each.

JAL already operates a fleet of 36 Boeing 747 jets and 14 DC-10s and has orders for three of each for delivery in 1981. The company is phasing out its DC-8s, it said.

W. Germany's Hansa to Sell 59-Ship Fleet

BREMEN, West Germany, Aug. 18 (Reuters) — West Germany's second largest shipping company, Deutsche Dampfschiffahrts-Gesellschaft "Hansa," said it plans to sell its fleet of 59 ships.

A Hansa official said the company filed an insolvency petition at the Bremen district court after merger talks with West Germany's largest shipping line, Hapag-Lloyd, broke down last Friday.

West Germany's largest commercial bank, Deutsche Bank, holds a 44-percent stake in Hansa, and the Albingia Insurance group, has a 45-percent share.

Canadian Coal to Go To 7 Japanese Firms

TOKYO, Aug. 18 (Reuters) — A group of seven Japanese companies has reached agreement with Canada's Gregg River Resources to buy 2 million tons of coking coal annually over 15 years beginning April, 1983, it was announced.

The seven firms — Nippon Kokan, Nippon Steel, Kobe Steel, Kawasaki Steel, Sumitomo Metal Industries, Nishin Steel and Mitsui — will acquire a 40-percent equity in the Gregg River coalfield development project, the company said.

Toyota Predicts 14% Drop in Exports to U.S.

TOKYO, Aug. 18 (Reuters) — Toyota Motor said it expects its second-half vehicle shipments to the United States to fall about 14 percent from the first half of this year, to about 320,000 vehicles, almost the same as the year-earlier period. Shipments in the first half were 372,000, 25.7 percent above a year ago.

Gold: Has It Lost Its Luster?

NEW YORK, Aug. 18 (AP-DJ) — After a year of general bullishness, the gold market is unclear and specialists are divided over what to expect, while the public has taken its cue and has largely switched out of the gold market in favor of other commodities and stocks.

The price of gold rose rapidly last year and during early 1980, when inflation was rampant and when the world was stunned almost daily by shocks from Iran and Afghanistan. Then the price fell, in part because credit rates and inflation eased, and partly because of the collapse of silver.

Since March the price of gold has been fluctuating in an increasingly narrow range. For the first time, analysts concede, they are stymied.

Japan, Germany To Buy Uranium From Australia

CANBERRA, Aug. 18 (AP-DJ) — Contracts were signed today for the sale of 34,000 short tons of uranium oxide valued at more than \$2 billion to a group of West German and Japanese companies.

In the largest mineral sale ever recorded in Australia, the uranium will be supplied by Energy Resources of Australia, operator of the giant Ranger uranium mine, in which the purchasers are to become partners.

Deputy Prime Minister Douglas Anthony said the West German purchasers were the electric power utility Rheinisch-Westfälisches Elektrizitätswerk, and the companies Uranangelschaft and Saarberg-Interplan Uran. The Japanese companies are Kansai, Kyushu, Shikoku and C. Itoh.

The project is being developed by a consortium of two Australian mining companies, Peko-Wallend and Electrolytic Zinc, and the Australian government.

AKENI

"Service to the Individual"

East Germany Bank rates middle rates

week ending Friday, August 15, 1980

Currency

Algeria 100 Dinar

Angola 100 Kwanzas

Argentina 100 Pesos

Austria 100 Schillings

Bahamas 100 Dollars

Bangladesh 100 Taka

Bolivia 100 Bolivianos

Brazil 100 Cruzeiros

Bulgaria 100 Levs

Canada 100 Dollars

Chad 100 CFA Francs

Colombia 100 Pesos

Czechoslovakia 100 Korunas

Denmark 100 Kroner

Dominican Republic 100 Pesos

Ecuador 100 Sucres

El Salvador 100 Colones

Equatorial Guinea 100 CFA Francs

Ethiopia 100 Birr

Guatemala 100 Quetzales

Haiti 100 Gourdes

Honduras 100 Lempiras

Hungary 100 Forints

India 100 Rupees

Indonesia 100 Rupiah

Iran 100 Rials

Israel 100 Sheqels

Italy 100 Lira

Jamaica 100 Dollars

Japan 100 Yen

Korea 100 Won

Laos 100 Kips

Lebanon 100 Lira

Libya 100 Dinars

Luxembourg 100 Francs

Macao 100 Patacas

Mali 100 CFA Francs

Mexico 100 Pesos

Moldavia 100 Lei

Morocco 100 Dirhams

Myanmar 100 Kyats

Nicaragua 100 Cordobas

Netherlands 100 Guilders

Niger 100 CFA Francs

Nigeria 100 Naira

North Korea 100 Won

Norway 100 Kroner

Poland 100 Zlotys

Portugal 100 Escudos

Romania 100 Lei

Russia 100 Rubles

Saudi Arabia 100 Riyals

Senegal 100 CFA Francs

Singapore 100 Dollars

Slovakia 100 Korunas

Slovenia 100 Tolar

South Africa 100 Rand

Spain 100 Pesetas

Sri Lanka 100 Rupees

Sweden 100 Kronor

Switzerland 100 Francs

Taiwan 100 New Dollars

Tanzania 100 Shillings

Thailand 100 Baht

Togo 100 CFA Francs

Tonga 100 Paanga

Trinidad and Tobago 100 Dollars

Tunisia 100 Dinars

Turkey 100 Lira

Uganda 100 Shillings

Ukraine 100 Hryvnia

United Kingdom 100 Pounds

United States 100 Dollars

Uruguay 100 Pesos

Venezuela 100 Bolivar

Yemen 100 Rials

Zambia 100 Kwacha

Zimbabwe 100 Dollars

Other Currency rates available on request

Alken Investment Management

Postfach 593, 8027 Zurich

Switzerland

Tel.: 01/311.94.41 or 01/311.94.47

Telex: 58 598 (Alken CH)

Hunt Affair Revives Bache's Image Problem

By James L. Rowe Jr.

NEW YORK, Aug. 18 (WP) — Harry Jacobs Jr., chief executive officer of the Bache Group, likes to talk about what he sees as the rosy future of his firm. He portrays a firm that has shaken off its problems and is poised for the 1980s.

Others, however, see a different Bache. They look at Bache, the parent of the big brokerage firm Bache Halsey Stuart Shields, as an inefficient club, too inbred to make major leaps, and run by a management that seems as interested in protecting its own position as anything.

Bache cannot seem to escape the apparent taint of its past.

A recent part of that past surfaced again last week when the Hunt brothers of Texas, whose misfortunes in the silver market last spring almost brought Bache down — filed a report with the Securities and Exchange Commission.

Crossing the Line

The brothers, who were buying stock in Bache at management's request to protect the firm against a takeover, crossed the line of owning 5 percent of the stock outstanding on Jan. 16. Under SEC regulations, the Hunts should have informed the commission of their purchases by Jan. 26, but they did not.

Bache said nothing to the SEC but apparently told the Hunt brothers they had a problem. The Hunts' response: to insist they made the purchases under two separate accounts, and each owned only 3.3 percent of Bache stock.

Bache claims it had no responsibility to tell the SEC of the Hunt purchases.

"It is a matter between the SEC and the Hunts," said the firm's spokesman.

"That's why Bache will never shake the club

image," said one top official of another brokerage firm.

"It wasn't just any client buying shares. And they weren't buying shares in just any company. They were Bache's biggest customers, buying shares through Bache, in Bache, at Bache's request. In matters like this you've got to be purer than Caesar's wife. There may not be anything illegal, but it still doesn't look good," he said.

Mr. Jacobs, who was interviewed before the Hunt filings last week, denies that Bache has ever had an image problem.

"During the 34 years I've been here and the 67 years before that, Bache always has been careful to do every 'I' and cross every 't.' There is a long and historic heritage here and a great reputation for integrity."

Bache came close to collapse in the early 1970s when the Hunt brothers' silver speculation drove Bache's silver trading and hang on to the experienced brokers who have shown a strong penchant to jump to the competition.

The Bache many others see is not so dynamic. They see the Bache that was splashed across the front page of newspapers last March.

That is the Bache that permitted its primary customers and friends, Hunt brothers Nelson Bunker and W. Herbert, to accumulate a silver account so big that when the silver markets collapsed and the Hunts temporarily could not pay their debts, the firm was pushed perilously close to bankruptcy.

That is the Bache whose management was so fearful of a takeover that in 1978 it was willing to pay a premium (more than \$1.2 million) to buy for the company's account all the Bache shares owned by three big

Slippage

A decade ago, Bache was the second-biggest firm on Wall Street. Today, in terms of capital Bache has slipped to eighth, according to a yearbook soon to be published by the Securities Industry Association. Bache is seventh in terms of the number of offices and sixth in terms of employees.

The company was one of the first on Wall Street to go public, selling shares of itself to outsiders in 1973 and getting a desperately needed injection of capital.

But the company wallowed. It rebuilt its back office but not its sales force.

It had trouble keeping its experienced salesmen and, as a result, has one of the least pro-

ductive sales forces of all the major brokerage firms.

Ferrin Long, who follows Bache for Lipper Analytical Services, said that Bache has the lowest production, or profits per salesperson, of any of the six major retail brokerage firms.

"More Aggressive"

Mr. Jacobs admitted that Bache has had some problems but said that since 1976 the firm has been on the move. "That's when we decided to become more aggressive. We've been keeping up with most other brokers and even exceeding some of them."

Mr. Jacobs carries a five-year plan which he said contains the seeds of Bache's prosperity. During the next five years, he said, Bache will increase its profitability, make better use of its far-flung network of retail offices, develop new financial products, become less dependent on income from stock-trading and hang on to the experienced brokers who have shown a strong penchant to jump to the competition.

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That is the Bache whose management was so fearful of a takeover that in 1978 it was willing to pay a premium (more than \$1.2 million) to buy for the company's account all the Bache shares owned by three big

Slippage

A decade ago, Bache was the second-biggest firm on Wall Street. Today, in terms of capital Bache has slipped to eighth, according to a yearbook soon to be published by the Securities Industry Association. Bache is seventh in terms of the number of offices and sixth in terms of employees.

The company was one of the first on Wall Street to go public, selling shares of itself to outsiders in 1973 and getting a desperately needed injection of capital.

But the company wallowed. It rebuilt its back office but not its sales force.

It had trouble keeping its experienced salesmen and, as a result, has one of the least pro-

ductive sales forces of all the major brokerage firms.

Ferrin Long, who follows Bache for Lipper Analytical Services, said that Bache has the lowest production, or profits per salesperson, of any of the six major retail brokerage firms.

"More Aggressive"

Mr. Jacobs admitted that Bache has had some problems but said that since 1976 the firm has been on the move. "That's when we decided to become more aggressive. We've been keeping up with most other brokers and even exceeding some of them."

Mr. Jacobs carries a five-year plan which he said contains the seeds of Bache's prosperity. During the next five years, he said, Bache will increase its profitability, make better use of its far-flung network of retail offices, develop new financial products, become less dependent on income from stock-trading and hang on to the experienced brokers who have shown a strong penchant to jump to the competition.

The Bache many others see is not so dynamic. They see the Bache that was splashed across the front page of newspapers last March.

That is the Bache that permitted its primary customers and friends, Hunt brothers Nelson Bunker and W. Herbert, to accumulate a silver account so big that when the silver markets collapsed and the Hunts temporarily could not pay their debts, the firm was pushed perilously close to bankruptcy

Tables include the nationwide prices up to the closing on Wall Street

[illegible]

72 Month Stock	Sts	Close	P
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U.S. Studies Liberalized Depreciation

Reviews Mixed on U.K. Write-Offs

LONDON, Aug. 18 (AP-DJ) — For years, Britain has been testing the concept of liberalized depreciation of business investments in new plants and equipment, a concept that takes added interest as the U.S. Congress debates proposals that would cut companies' tax bills by enabling them to write off the cost of their investments more quickly.

Since 1973, businesses in Britain have been able to write off immediately their entire investments in new plants and machinery, gaining an immediate tax break, regardless of the type of investment or its location.

Hunt-SEC Affair Revives Bache's Image Problem

(Continued from Page 7)

investors who were considering trying to gain control of Bache. That is the same Bache that asked the Hunts to buy stock last year to make it more difficult for another set of brothers — the Belzbergs from Canada — to acquire control. The Hunts own 6.6 percent of Bache. The Belzbergs own 4.2 percent. The Belzbergs also say they have no interest in controlling Bache.

But Bache management took no chances. Last November, Bache shareholders — and about 40 percent of Bache stock is owned by current or former members of management — took steps to make takeover and change in management virtually impossible.

Under new bylaws, an investor or group of investors would have to accumulate 75 percent of Bache's stock to gain control of management. The company also increased from 10 million to 15 million the number of Bache shares. The extra 5 million shares, now sit in the Bache treasury.

As further insulation, five of the 16 directors were given multiyear terms, instead of the one-year terms common to most U.S. companies.

Mr. Jacobs sees neither the Hunt silver-buying nor the Belzberg fight as a blamish for Bache.

But other brokerage houses had refused to take on more Hunt business, because their accounts were getting too large, and other brokers — such as Merrill Lynch — were demanding that the Hunts put up Treasury securities as collateral for their silver accounts, according to Mr. Long.

Bache not only accepted silver as collateral — which put the collateral in jeopardy as silver prices fell — but several metals firms within the Bache Group made loans to the Hunts, the proceeds of which the Hunts used to pay off their margin debts at the brokerage firm.

"It was merely shifting the debt

and some even sharper downs during the past seven years.

Government statistics show that in 1973, the first year in which 100-percent depreciation, known in Britain as the capital allowance, was permitted, inflation-adjusted investment in plants and machinery rose only 3.5 percent from the year before.

During the 1974 economic boom, investment rose a healthy 12.6 percent, as the depreciation plan's authors had hoped it would. But as the 1975 recession took hold, investment plunged 4.9 percent, and it dropped a further 3.4 percent in 1976. In 1977, the last year for which statistics are available, investment picked up 5.7 percent.

In recent years, British administrations have found it necessary to supplement the depreciation rules with investment incentives that are even more direct. Britain has tried direct grants for certain industries, direct government investment in such industries as computer chips and special aid for investment in

certain depressed locations, such as Liverpool and much of Scotland.

All these efforts have had little effect. The country still has not been able to revitalize such aging industries as steelmaking and shipbuilding or to establish modern electronics or computer industries on a large scale.

Some economists contend that the general health of a company, and of the economy, is more important in investment decisions than depreciation rules.

"If a company sees it has a capacity shortage, and if it sees rising demand for its products, then it will invest," one economist said. "If companies don't see that, there's no way to force them to invest, even if you present them a factory for free."

Upstaged by "Stock Relief"

British businessmen echo that verdict. "It's obviously beneficial in the sense of cash in hand, via the tax relief," said Geoffrey Jones, treasurer of Rowan Corp., a big paper producer. "But the real question is whether one would have done a particular investment anyway, and that's almost impossible to answer."

Mr. Jones and other financial executives also say that 100-percent depreciation has been upstaged in recent years by another British tax break, called "stock relief." This is a tax deduction that a company gets if its inventory grows more than 10 percent in a year. During slow business periods, the rule has been the salvation of many companies, Mr. Jones said, adding, "Without it, bankruptcies in a slump like that of 1975 would have been enormous."

With the advent of stock relief, 100-percent depreciation has become "just one of a whole battery of things that tend to defer corporate tax," said Hugh Wills, a professor at the London School of Economics. "No major companies have paid any tax at all in recent years, either because they haven't been making any profits or they've gotten so many allowances."

Because of the array of tax breaks, he said, "It's become very difficult to tell which incentive, if any, will work."

Some observers say the lackluster investment experience with 100-percent depreciation proves that direct, specific grants are more effective.

That was the government's means of aiding industry before the capital allowance was adopted, and the trend is toward reinstating such aid while maintaining 100-percent depreciation.

The Conservative Party government of Margaret Thatcher recently announced plans for seven new "enterprise zones," in which investing companies would get various additional tax breaks. And the free-enterprise Tories have even coughed up the equivalent of about \$39 million for a government-sponsored computer-chip plant in South Wales.

Besides proving unreliable in stimulating investment during an economic slump, 100-percent depreciation and other tax incentives have had an unexpected side effect. By nearly eliminating companies' tax bills, they have eased the need for capital financing for many concerns. Some experts say that has contributed to the total collapse of the British bond market in the past decade.

Amdahl Founder Quits To Form Rival Company

NEW YORK, Aug. 18 (AP-DJ) — Gene Amdahl, who left International Business Machines to found Amdahl Corp. 10 years ago, resigned Friday as a consultant and chairman emeritus of the company he started, to organize a new computer company that will compete head-to-head with Amdahl.

Mr. Amdahl is regarded as one of the world's foremost designers of computer systems.

Mr. Amdahl is taking along Clifford Madden, Amdahl's senior vice president and chief financial officer for the last six years, to be president of the new venture.

The new company, still unnamed, will be incorporated by the end of this month, Mr. Amdahl said, and probably will introduce its first product within five years.

Exactly what the new company will offer is cloaked in secrecy. Mr. Madden said only that the company will design "a high-performance, mainframe computer to address the IBM marketplace and the scientific-oriented marketplace."

So far, Mr. Amdahl said, the money spent on the new venture has been his own, but Mr. Madden said initial contacts with individuals and institutions indicated that "we can raise significant amounts of money, not just seed money."

Amdahl Corp., in its latest annual report, says it took an investment of almost \$50 million to launch its first product.

average equipment is now about \$9,200.

General Motors has been setting the stage for a major realignment in its car prices since it introduced its front-wheel-drive X-cars in 1979. Since then, the automaker has been raising the prices of small cars. But this latest action represents the first time a price move has touched its full line of more than 100 models. GM said it expects to continue its policy of raising prices each quarter.

One result of the pricing system is that potentially it can generate greater profits on those cars that are selling best. Its popular Chevrolet, for example, received an 11 percent boost, and some popular X-car models were hit with yet another round of hefty price increases, about 9 percent on some models.

The company took additional actions on its slow-selling larger cars to make them more attractive buys.

Dealers' profit margins on full-sized and intermediate models were chopped as much as 6 percent. Although that cuts deeply into dealer profit potential for those cars and gives buyers less room to bargain for a discount, it reflects the fact that those cars have not been bringing their full retail prices — and profits — for more than a year.

GM Pricing May Retool System

DETROIT, Aug. 18 (AP-DJ) — General Motors, in boosting prices of its 1981 models an average 1.9 percent, or \$176 a car, installed a significantly overhauled pricing system that may set a standard for the U.S. domestic industry.

The dominant U.S. automaker, in a sweeping pricing action unveiled Friday, has effectively narrowed the price difference between its large luxury cars and its fuel-thrifty smaller ones.

The move represents a departure from the auto industry's 60-year-old tradition of "higher-is-better" pricing, which called for smaller models to be priced considerably less than large ones. The new strategy is prompted by a swiftly changing automobile market, where small cars have become the preferred choice of consumers.

In fact, one result of the new strategy will be to make some big cars actually cost less than small ones. For instance, one version of a mid-sized Chevy costs \$6,314, which is \$571 less than a version of a front-wheel-drive Buick compact.

As a result of these and other moves, the price of a GM car with

average equipment is now about \$9,200.

General Motors has been setting the stage for a major realignment in its car prices since it introduced its front-wheel-drive X-cars in 1979. Since then, the automaker has been raising the prices of small cars. But this latest action represents the first time a price move has touched its full line of more than 100 models. GM said it expects to continue its policy of raising prices each quarter.

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PUTNAM INTERNATIONAL FUND

Société Anonyme
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R.C. Luxembourg B 11.197

Notice is hereby given to the shareholders that the annual general meeting of the company will be held at the registered office on August 25th, 1980, at 3.00 p.m., with the following agenda:

1. Receipt of the reports of the Board of Directors and of the Statutory Auditor.
2. Approval of the balance sheet and the profit and loss account.
3. Distribution of a dividend.
4. Discharge of the Directors and the Statutory Auditor and remuneration of the Directors for the period ended May 31st, 1980.
5. Statutory elections of Directors and an Auditor.
6. Miscellaneous.

The resolutions to be proposed at the annual general meeting of shareholders are not subject to quorum requirements and may be passed by a simple majority of the shareholders present and voting with the restriction that no shareholder whether by himself or by proxy can vote for a number of shares in excess of one fifth of the shares present or represented at the meeting.

Holders of bearer shares may vote at the meeting in person by producing at the meeting either their share certificates or a certificate of deposit which will be issued to them against deposit of their share certificates with Putnam International Fund's paying agent.

Shareholders may vote at the meeting by proxy by completing the form of proxy which will be made available to them upon request in the case of registered shareholders and against deposit of their share certificates as aforesaid in the case of bearer shareholders.

Share certificates so deposited will be retained until the meeting or any adjournment thereof has been concluded. Putnam International Fund's paying agent is Knebelbank S.A., Luxembourg, 43, boulevard Royal, Luxembourg. In order to be valid all forms of proxy must reach the registered office of Putnam International Fund not later than August 18th, 1980.

The Board of Directors.

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NIPPON ELECTRIC COMPANY LTD.
(CORP.)

The undersigned announces that the Annual Report for March 31, 1980 of Nippon Electric Company Ltd. will be available in Amsterdam at:

Amsterdam-Rotterdam Bank N.V.,
Algemene Bank Nederland N.V.,
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AMSTERDAM DEPOSITORY COMPANY N.V.,
Amsterdam, August 7th, 1980.

Look behind our numbers and you'll see our expertise.

REPUBLIC NATIONAL BANK OF NEW YORK	
CONSOLIDATED STATEMENT OF CONDITION	
June 30, 1980	
ASSETS	
Cash and demand accounts	\$ 187,603,657
Interest bearing deposits with banks	1,725,944,117
Precious metals	145,297,051
Investment securities	550,966,325
Federal funds sold and securities purchased under agreements to resell	42,400,000
Loans, net of unearned income	2,442,214,072
Allowance for possible loan losses	(44,528,389)
Loans (net)	2,397,685,683
Customers' liability under acceptances	266,685,779
Bank premises and equipment	41,396,691
Accrued interest receivable	129,715,843
Other assets	205,232,760
	\$5,692,627,910
LIABILITIES	
Deposits	\$4,190,031,824
Short term borrowings	438,596,507
Acceptances outstanding	272,079,204
Accrued interest payable	162,764,351
Due to factored clients	194,558,669
Other liabilities	113,784,450
	\$5,269,274,945
STOCKHOLDER'S EQUITY	
Common stock	100,000,000
Surplus	100,000,000
Undivided profits	120,812,905
Total stockholder's equity	320,812,905
Letters of credit outstanding	\$ 262,132,625

At June 30, 1980, the portion of investments in precious metals and the precious metal content of silver coins not hedged by forward sales was \$11.6 million.

What does such an unusually high capital-to-loan ratio mean to an exporter? It means that our experienced, hard working people such as Richard Lazarus, Douglas Waterman, and Catherine Cronin, of our Multinational Group are ready to finance your exports.

They know their way around export financing as few bankers do. They can make or obtain decisions fast—usually within 48 hours. They quote fixed or floating rates, and work with or without government export assistance programs. To help you save time, each quarter they publish a list of countries in which they will finance exports. All of this, plus their relationships with Trade Development Bank in Geneva, Paris, London, Luxembourg, and Banco Safra in Brazil, result in an extraordinary export financing capability.

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Member Federal Reserve System/Member Federal Deposit Insurance Corporation
A subsidiary of Trade Development Bank Holding S.A., Luxembourg

All of these securities have been sold. This announcement appears as a matter of record only.

August 14, 1980

B

\$250,000,000

Burroughs Corporation

\$100,000,000 10 3/4% Notes due August 1, 1987

\$150,000,000 11 1/2% Sinking Fund Debentures due August 1, 2010

Kidder, Peabody & Co.
Incorporated

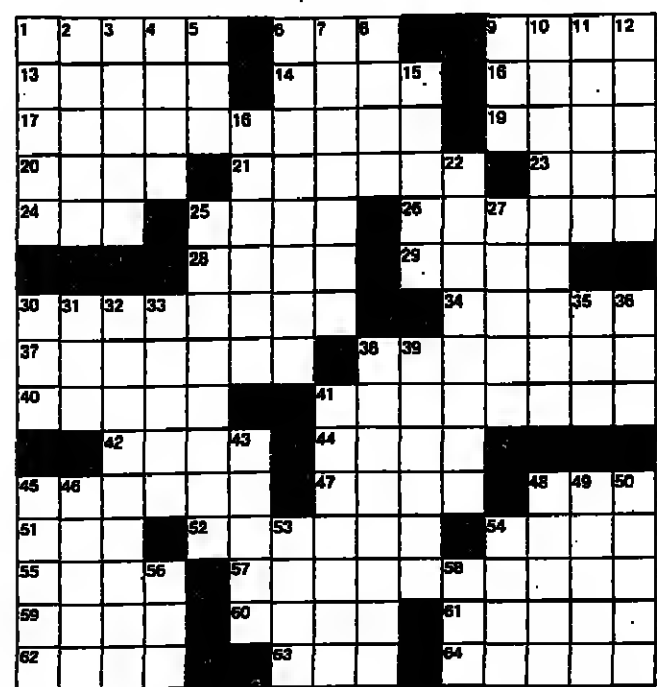
Lehman Brothers Kuhn Loeb
Merrill Lynch White Weld Capital Markets Group
Bache Halsey Stuart Shields
Donaldson, Lufkin & Jenrette
L.F. Rothschild, Unterberg, Towbin
Warburg Paribas Becker
ABD Securities Corporation
A. G. Edwards & Sons, Inc.
Ladenburg, Thalmann & Co. Inc.
Nomura Securities International, Inc.
Thomson McKinnon Securities Inc.
Daiwa Securities America Inc.
New Japan Securities International Inc.

Bear, Stearns & Co.
Drexel Burnham Lambert
Shearson Loeb Rhoades Inc.
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Blyth Eastman Paine Webber
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Stuart Brothers
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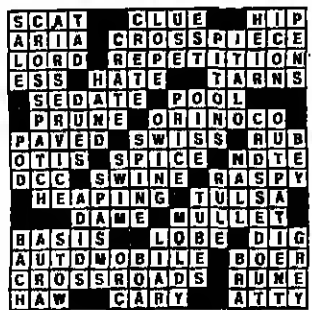
Goldman, Sachs & Co.
Salomon Brothers
Dillon, Read & Co. Inc.
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Lazard Frères & Co.
Lazard Frères & Co.

CROSSWORD By Eugene T. Maleska



- ACROSS**
- 1 Race-track entrepreneurs
6 French possessive
9 Repe.
13 State of India
14 Turkish title
16 "Winnie-the-"
17 Battle of Aug. 19, 1779
19 Actress Sommer
20 Sans (nonpareil)
21 Dialect; jargon
23 Henna is one
24 Wilmington,
25 Island of song
26 Filthy lucre
28 Olympic goddess
29 Kind of gin
30 Patriot
31 Fraunces of "Tavern" fame
34 Type of architecture
37 Answers
38 First king of Iraq: 1921-33
40 Winter resort
41 See 57 Across
42 Youngsters
44 Good-sized lot
- DOWN**
- 45 Area in many a city
47 Letters
48 Dave Kingman's stick
51 Squeal or squealer
52 Singing groups
54 Energy: Slang
55 Actor Stone
57 With 41 Across, hero at 17
59 "I've working on..."
60 S.A. country
61 Fudd
62 Sir Anthony
63 Chess piece: Abbr.
64 Blue or home follower
- DOWN**
- 1 Not live
2 Kind of orange
3 Customary
4 Like some ships
5 Southwest Conf. team
6 Singer Jackson
7 Conceit
8 Chase away
9 Mimic
10 Award for 57 Across

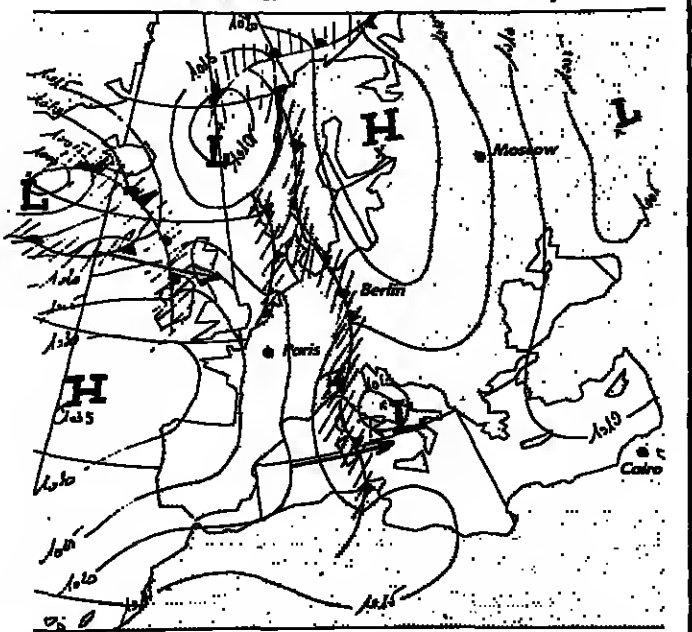
Solution to Previous Puzzle



WEATHER

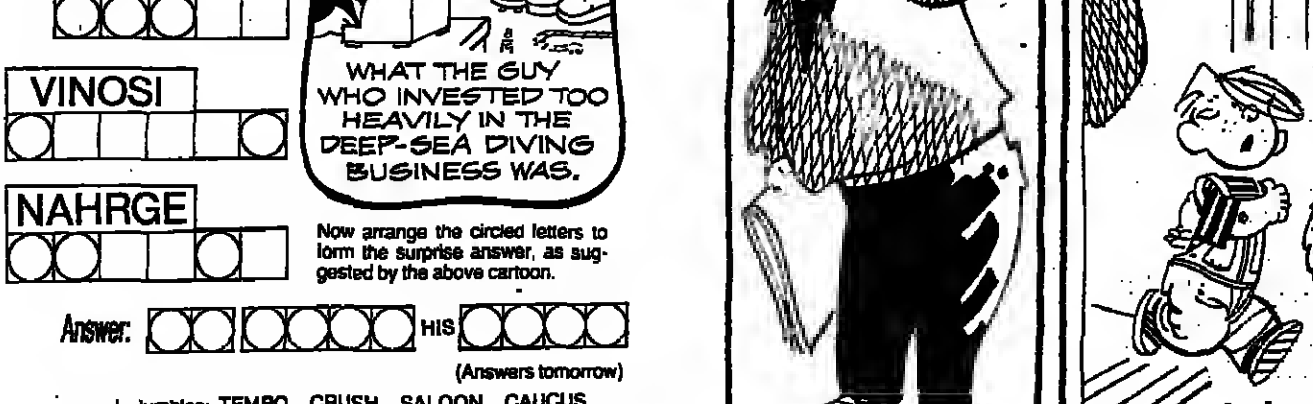
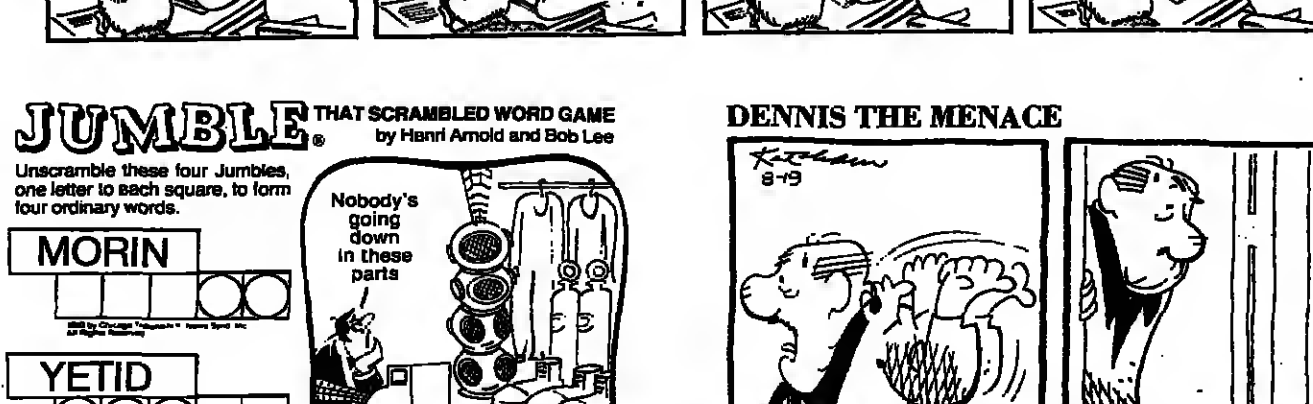
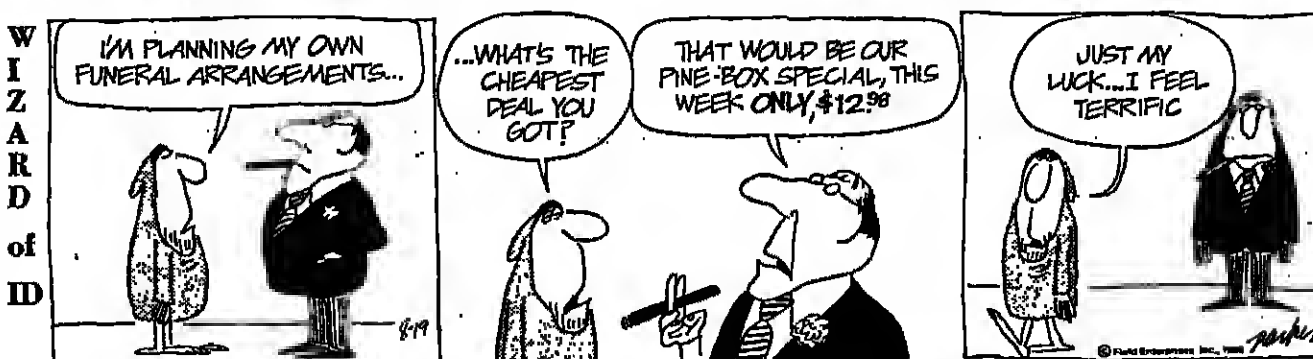
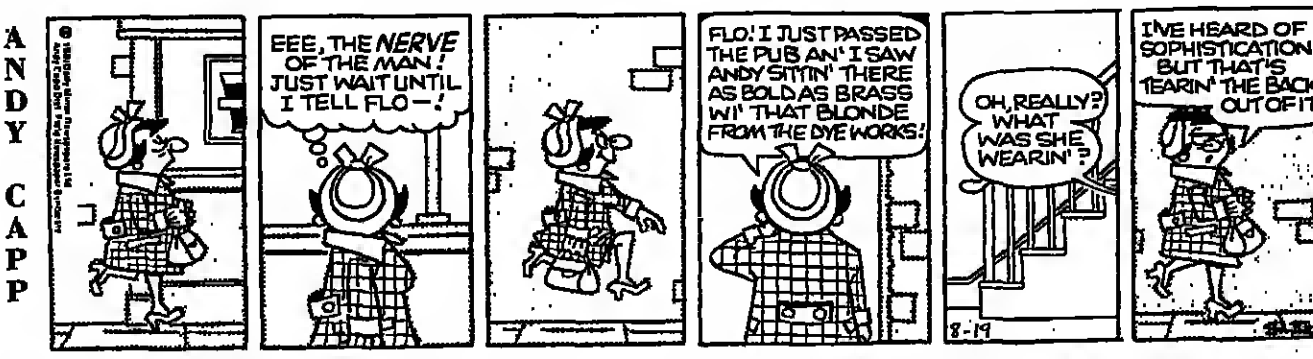
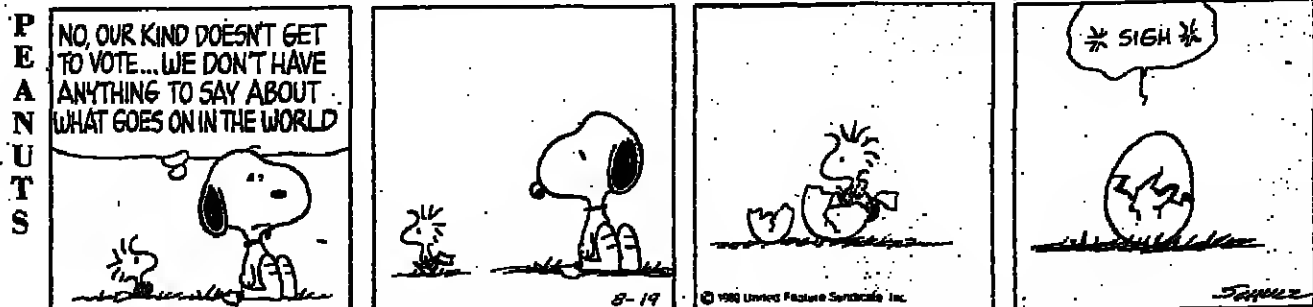
ALGARVE	C	F	Pair	MADRID	C	F	Cloudy
AMSTERDAM	22	72	Overcast	MILAN	29	84	Fair
ANKARA	31	88	Fair	MONTREAL	22	72	Cloudy
ATHENS	20	68	Cloudy	MOSCOW	22	72	Fair
BEIRUT	29	84	Fair	MUNICH	22	72	Foggy
BELGRADE	23	73	Fair	NEW YORK	24	75	Cloudy
BERLIN	22	72	Fair	NICE	26	79	Fair
BRUSSELS	21	70	Cloudy	OSLO	24	75	Overcast
BUCHAREST	22	72	Fair	PARIS	18	64	Overcast
BUDAPEST	23	73	Cloudy	PRAGUE	12	54	Cloudy
CASABLANCA	26	79	Fair	ROME	20	68	Fair
COPENHAGEN	16	61	Rain	SOFIA	19	66	Showers
COSTA DEL SOL	26	79	Cloudy	STOCKHOLM	16	61	Cloudy
DUBLIN	16	61	Showers	TEHRAN	36	97	Fair
EDINBURGH	19	66	Cloudy	TEL AVIV	31	88	Fair
FLORENCE	31	88	Foggy	TOKYO	25	77	Showers
FRANKFURT	24	75	Foggy	TUNIS	29	84	Cloudy
GENEVA	23	73	Fair	VIENNA	22	72	Fair
HELSINKI	20	68	Fair	WARSAW	19	66	Cloudy
HOUSTON	26	79	Cloudy	WASHINGTON	21	70	Foggy
ISTANBUL	29	84	Fair	ZURICH	21	70	Foggy
LAS PALMAS	27	81	Fair				
LISBON	21	70	Fair				
LONDON	25	77	Cloudy				
LOS ANGELES	25	77	Cloudy				

Situation Forecast for Noon G.M.T. Tuesday



Witch Doctor's Mail Order Cure Brings Squeals Without Delight

PEARSTON, South Africa, Aug. 18 (UPI) — A mail order witch doctor is in trouble with postal authorities because of a cure he sent to a client. Liza Sokoi — who saw the witch doctor's advertisement in a magazine — said he claimed he could cure anything. After paying a \$2.26 deposit, she was promised medicine that would make her rich. Mrs. Sokoi paid another \$13.10 for the service, but the plain brown paper parcel with the cure was intercepted at the Pearson post office when it wiggled across a sorting table, then shuffled across the floor. The cure was a white mouse. Its mission was to sneak out at night, grab a mouthful of money from the local bank and return to Mrs. Sokoi. The witch doctor faces possible prosecution — not for sending a potential bank robber, but for sending a live animal through the mail.



BOOKS

THE FIFTH HORSEMAN

By Larry Collins and Dominique Lapierre
Simon and Schuster. 478 pp. \$13.95.

Reviewed by Richard Helms

IN a plot which sets up a contest between the wills and skills of the president of the United States and Libyan strongman Moammar Qadhafi, the leading character turns out to be a detective first-grade in the New York Police Department, Angelo Rocchia.

"The Fifth Horseman" is a novel about thermonuclear bombs in the hands of terrorists. Whence this title? Those who are up on chapter six of The Revelation of Saint John may recall that white, red, black and pale horses had riders who were known as the Four Horsemen of the Apocalypse, ensnared many years ago in the title of a book by Blasco Ibanez. "Now... a Fifth Horseman has emerged from the entrails of hell to scourge humanity with terror, with arms so terrible even John's hallucinating imagination could not have conceived them," to quote from this book.

experience, his personal woes make him stand out among the plastic figures who dot the landscape. Perhaps he belongs to the wrong generation, but the treatment he receives from his pantheon, Grace Knowland, a reporter for The New York Times, makes one wonder about certain modern attitudes. Professionally, however, he is what every citizen wants in a detective, and he may be forgiven his resentment of the FBI since most big-city cops share it.

The authors, Larry Collins and Dominique Lapierre, former journalists for "Newsweek" and "Paris Match" respectively, have collaborated on five books of which this is the first novel. Their initial effort, "Is Paris Burning?" was an exciting recreation of life in the French capital during World War II as seen through the eyes of intensely human participants. It is perhaps for this reason that the French characters and settings in "The Fifth Horseman" have a particularly solid resonance.

The publishers of this book could hardly have counted on the recent publicity given to Billy Carter's arrangements with the Libyan government. From the point of view of sales it is almost too good to be true. But don't let this distract us from the fact that Libya, in the words of President Carter, "has repeatedly provided support for acts of international terrorism." In an unclassified study a few years ago the Central Intelligence Agency made the judgment that "Colonel al Qadhafi has been one of the world's least inhibited practitioners of international terrorism."

Thinking the Unthinkable
George F. Will, the columnist, wrote a year ago, after an international conference on terrorism in Jerusalem: "When a government, such as that of Libya, is involved in terrorism from Ulster to Israel, then only prudential considerations on the part of the nations attacked can weigh against actions to change that government. This subject comes under the heading of thinking the unthinkable. But the beginning of wisdom in dealing with terrorism is to face this fact: No act is unthinkable when so many terrible acts are successful."

It may perhaps give a shudder to the readers of "The Fifth Horseman" to hear another judgment written in the same CIA study cited above: "The prospect of nuclear-armed terrorists, in fact, no longer be dismissed. But because of the major problems that would be involved in the acquisition, storage, transport and employment of a nuclear device, a more likely scenario — at least in the short term — would be a terrorist seizure of a nuclear weapons storage facility or a nuclear power plant; to exploit the publicity and the bargaining power inherent in the attendant threat of radiological pollution."

The plot of this book is by no means as farfetched as it may at first appear. The combination of nuclear power and terrorism has indeed created a "Fifth Horseman," to menace man's survival. The implications are sobering in the extreme.

Richard Helms is a former director of the Central Intelligence Agency, a former ambassador to Iran and is now an international consultant in Washington. He wrote this review for The Washington Post.

BRIDGE

By Alan Truscott

IN many bridge columns it is desirable for the reader to conceal the East-West cards. In what follows a cover-up of this kind is mandatory. Without it, the reader will not appreciate the full flavor of an excellent new book that comes to New York from Australia via London. It is "Winning Bridge — Trick by Trick" by Ron Klinger, an outstanding young Australian player-writer.

The author adopts a useful practical approach in expounding the problems of 57 interesting deals. As the play develops, trick by trick, he asks pertinent questions of the type the player should be asking himself at the table, and then gives the answers.

On the diagrammed deal, the reader is shown the North-South hands and the bidding with a note that three diamonds was bid with the possibility of a slam in mind. Indeed, if North held the spade ace and the diamond ace there would be some play for a grand slam.

Is that play safe? Decidedly not. If West has six diamonds, East will probably be able to score the nine or ten of spades on the third round of diamonds, overruffing dummy.

Would you be right to lead the spade king at once? No, because South would again be in difficulty on the third round of diamonds. It is right to lead a heart to the king in dummy and play a trump. If East puts up the ace and plays a diamond, you can ruff the third round safely with the jack. But this does not help if East's trump is A-10-9.

Can you cope with A-10-9? Yes, by leading to the heart king and throwing a diamond on the club king. And that is the end of play.

Can that go wrong? Yes — the defenders might be able to find a heart somewhere. In practice, West had a void heart and the contract failed. A cruel game, as Klinger serves.

First the reader is asked to assess his prospects when West leads the club four when the queen is played from dummy and East's ace is ruffed. The answer is that you expect to lose one trump trick and two diamond tricks, making the contract easily.

The next question relates to the diamond position, and the answer, obviously, is that West should have the A-Q and some length. Less obviously, he is unlikely to have outside strength since he did not overcall his two diamonds.

Is a bad trump break likely? No, because there was no double of four spades. Is it fatal? Not necessarily. A low spade lead to the jack will give South a chance to neutralize four trumps in the East hand.

NORTH				EAST			
♠	A 10 9	♥	Q 8 5	♠	A 10 9	♥	Q 8 5
♦	Q 7 6	♣	Q 9 8 7	♦	Q 7 6	♣	Q 9 8 7
♠	Q 9 8 4 2	♥	Q 8 5	♠	Q 9 8 4 2	♥	Q 8 5
♦	Q 7 6	♣	Q 9 8 7	♦	Q 7 6	♣	Q 9 8 7

South (D) ♠ Q 9 8 4 2 ♥ Q 8 5 ♦ Q 7 6 ♣ Q 9 8 7

East and West were vulnerable. The bidding: South: 1♣ — 2♦ — 3♦ — 4♣. West: 1♥ — 2♦ — 3♦ — 4♣. Pass. Pass. Pass. Pass.

West led the club four.

